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Demand-driven Agricultural Extension Service: International Experience and Lessons

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Agricultural Extension Services: Global Perspective

- Recent reaffirmation on the role that agricultural extension can play in agricultural development in developing countries
 - Linked to the rediscovery of the role that agriculture needs to play in reducing persistent rural poverty
 - Considerable debate worldwide on the best way to provide and finance agricultural extension
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Challenges for Agricultural Extension

- Still facing millions but scattered smallholders
- Rapidly transforming - agricultural and rural sectors
- Increasing demands for sustainable agricultural development
- Changing government management and reform

Key Questions

- What are the roles of the public sector, the private sector, and nongovernmental organizations?
 - How to help smallholders access new markets and meet their standards?
 - How can farmers cope with environmental degradation and climate change and respond to health challenges such as livestock pandemics?
 - How can extension address the needs of women farmers and disadvantaged groups?
 - What are the best uses of new information and communication technologies?
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Making Agricultural Extension Demand-Driven

- Traditional supply-driven or top-down approach not working
 - The need to provide services that meet the needs and priorities of farmers and other stakeholders along value chain
 - Approaches to establish demand-driven agricultural extension system
 - Market-based Agricultural Extension
 - Public Agricultural Extension
 - Organization-based Extension
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Existence of Various Failures

- Market Failure
 - Information as public good, merit good nature, externality such as food security and environmental degradation, and smallholders
 - Government Failure
 - information, incentive, capacity, political interests, and bureaucratic procedures and attitudes
 - Organization Failure
 - the “free rider” problem, accountability issue, in addition to factors responsible for government failure
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Strategies to Overcome the Failures

- **Strategies to Overcome Market Failure**
 - Through public sector intervention and collective action
 - As a component of overall poverty alleviation strategy
 - Contract farming
 - **Strategies to Overcome Government Failure**
 - Decentralization of extension agencies
 - Increased autonomy of extension agencies
 - Contracting extension services and involving farmers in awarding the contracts
 - Using funding mechanisms such as cost recovery to encourage farmers to express their demands
 - Using management techniques such as new public management to emphasize responsiveness to clients
 - Using participatory extension method
 - **Strategies to Overcome Organization Failure**
 - Strengthening management capacity and the internal accountability mechanisms of FBOs, with a specific focus on overcoming problems of elite capture and social exclusion
 - Strengthening the capacity of FBOs to articulate farmers' demands
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Options for Providing and Financing Agricultural Extension Services

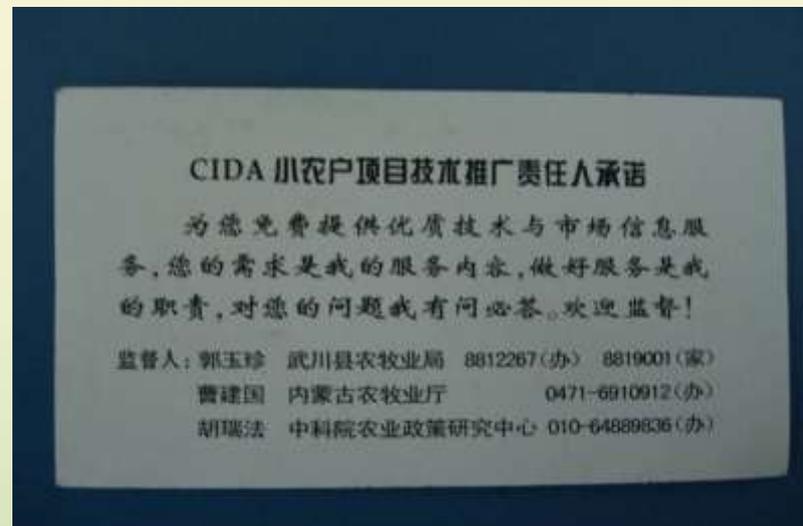
Provision of service	Financing of service				
	Public sector (various levels of decentralization possible)	Private sector farmers (individuals)	Private sector: company	Third sector: nongovernmental organizations (NGO)	Third sector: farmer-based organizations (FBOs)
Public sector (various levels of decentralization possible)	Public sector extension (various degrees of decentralization) (1)	Fee-for-service extension, provided by public sector (5)	Private companies contracting public sector extension agent (9)	NGOs contracting public sector extension agents (11)	FBOs contracting public sector extension agents (15)
Private sector: company	Publicly financed contracts or subsidies to private sector extension providers (2)	Private extension agents, farmers pay fees (6)	Information provided with sale of inputs or purchases of output (10)	Extension agent from private company hired by NGOs (12)	FBOs contracting extension agent from company (16)
Third sectors: NGO	Publicly financed contracts or financial support to NGOs providing extension (3)	Extension agents hired by NGOs, farmers pay fees (7)		Extension agents hired by NGO, service provided free of charge (13)	
Third sector: FBOs	Public financial support to supplied to extension provision by FBOs (4)	Extension agents hired by FBOs, farmers pay fees (8)		NGO financing extension agents who are employed by FBO (14)	Extension agents hired by FBO, service free to members (17)

Source: Adapted from Anderson and Feder(2004),Birner et al.(2006), and Rivera (1996)

Farmers New Technique Sharing – Farmer Field Schools, Pengzhou, Sichuan



Responsibility System for Township Level Agricultural Extension Agent, Pengzhou, Sichuan and Wuchuan, IMAR



Linking Small Potato Producers with New Markets - Wuchuan, IMAR



Quality Milk Program for Smallholders, Horinger, IMAR



Lessons from Pilots

- Publicly financed market-oriented agricultural extension services are essential for poor producers and rural entrepreneurs
 - Help clients adapt to the factors impacting on agricultural markets, from climate change to the expansion of modern retail
 - Market orientation demands a value chain orientation; which in turn implies that advisory services must meet the needs a range of actors — not just farmers
 - Traditional ‘technology transfer’ services should no longer be a primary focus
 - Pluralistic agricultural extension system is needed to meet the diversified demands
 - Public-private partnership is critical
 - Lessons from marketing-related ‘pilot’ projects are potentially valuable, but need to work on scaling-up
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Key References

- Birner, R and J. Anderson. 2007. *How to Make Agricultural Extension Demand Driven? The Case of India Agricultural Extension Policy*. IFPRI Discussion Paper 00729, November, 2007.
 - Chen, K., and S. Shi. 2008. *Mechanism and Application of Demand Driven Agricultural Extension Services: The Role of China–Canada Small Farmers Adapting to Global Markets Project*. Thematic Report 5. Beijing Project Office: China–Canada Small Farmers Adapting to Global Markets Project.
 - Hu, R., Y. Cai, K. Chen, Y. Cui, and J. Huang. 2010. *Effect of Inclusive Public Agricultural Extension Services: Results from a Policy Reform Experiment from Western China*. IFPRI Discussion Paper 010137, December, 2010.
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