IFDC has developed a series of strategic plans throughout its history. While each was different, they had a common purpose – to set a direction for the Center over a specific span of time. The first strategic plans each covered a decade; subsequent plans defined IFDC action in five-year increments. When the global economic crisis struck in 2007-2008 (leading to steep price increases for oil, food and fertilizers), IFDC re-evaluated its existing strategic plan and revamped it in 2009 in light of world events.

Countries, institutions and people are still adjusting to the upheaval of 2007-2008 and dealing with a series of ‘aftershocks.’ The global agriculture sector, in general, and agricultural development, in particular, continue to be impacted, and the IFDC board of directors made the decision in 2011 to review and revise the current strategic plan (2009-2013) because of those changes.

An adage dating back to ancient Greece is “The only constant is change.” Going forward, IFDC will borrow that philosophy and review its strategic plan on an ongoing basis, depending on circumstances that can change dramatically. However, while the IFDC strategic plan will evolve when needed, based on global events, the core principles of IFDC will remain firm.

IFDC’s priority is to help smallholder farmers in developing regions move from subsistence to commercial farming and to escape the poverty trap. IFDC is also committed to helping developing economies increase their agricultural productivity, food security and the nutritional health of their people while protecting the environment.

The revised IFDC strategic plan begins on the next page. The process of developing it began last September in Nairobi, Kenya, during a staff meeting that was attended by a number of IFDC board members. Based on discussions during that meeting, a task force was delegated to draft an update to the current strategic plan. The draft was developed, reviewed, edited and revised over the course of several months. This has been a team effort and I want to thank the members of the task force who worked diligently to draft it. They include:

Rob Nooter (team leader)
Sarah Gavian
Richard Jones
Amber Hammock
Kofi Debrah
Sabesh Kanagalingam (partial participation)
Pat Murphy (board of directors’ liaison)
Kelly Stenhoff (ad hoc)
Context for IFDC’s Strategic Plan

There are powerful forces driving changes in agricultural systems around the world. The demand for food is rapidly increasing and the additional volume of food required to meet this demand must be produced more efficiently and in a more environmentally friendly manner. Central to this expanding demand is a population predicted to grow from seven billion to more than nine billion by 2050. Concurrent growth in economic and social development will trigger disproportionate pressure on the agricultural sector to produce not only greater quantities of basic foodstuffs but also more protein, animal feed, biofuels and fibers. Growth in population and also in incomes of a large portion of the expanding population will cause demand for agricultural production to increase at a higher velocity than the rate of population growth.

The Food and Agriculture Organization (FAO) of the United Nations estimates that these factors will increase annual demand for cereal crops by 70 percent, to three billion metric tons (mt) by 2050. Today’s production in the developed world is a high-input, intensive agriculture using high-yielding varieties of seed, high analysis fertilizers and other complementary inputs and policies. Although fertilizers and other inputs are critical to reaching the food production targets in the future, the current suite of products and/or their use will not improve the plight of the two billion people who are dependent on smallholder agriculture and survive on less than $2 per day. Nearly a third of the world’s current population subsists on the food production and income generated from the 500 million smallholder farms. A significant number must transition from subsistence to commercial agriculture and, in so doing, rise to the challenge of producing nutritious food for themselves and an increasing share of the growing urban population. These smallholders must be empowered to grow economically and to take responsibility for building their own just, productive and environmentally healthy communities. This transformation will fuel the broad-based economic growth needed to lift large numbers of the rural poor and their urban neighbors out of the vicious cycle of poverty and hunger and into one of prosperity and health. While the economies of Brazil, China, India and other developing countries are on the move, millions of smallholders throughout the world (particularly in Southeast Asia and Africa) face major challenges related to resource scarcity, environmental destruction and social equity.

How the world responds to the growing demand for food has wide-ranging implications. Increasing the amount of land dedicated to agriculture to increase production is not an easily accomplished task. In some parts of the world, land is scarce and under intense pressure as the expanding human population causes the conversion of agricultural land to housing and commercial uses. In other areas, land is abundant but often is environmentally fragile or poorly suited to agriculture. Furthermore, agriculture is a ‘thirsty’ industry, and securing adequate water for irrigation is becoming progressively more difficult as other development forces exert competing demands on water supplies. Complex interactions between water and organic and inorganic fertilizers present opportunities for advancements in nutrient technology and the production of nutritious crops that optimize the use of water while using applied nutrients more efficiently. IFDC embraces these synergetic objectives as necessary to meet the overarching goals of improving productivity while also protecting and enhancing the environment. In particular, IFDC will continue to improve fertilization techniques and develop new fertilizers from available raw materials, both organic and mineral, to help smallholder farmers improve soil fertility and agricultural productivity goals.

In addition, weather and climate change are critically important drivers that will frame the context in which agriculture will operate during the next half century. Clearing land to expand agricultural production exacerbates climate change, which reduces productivity and contributes to greenhouse gases. Climate change results in more intense and frequent extreme weather events such as floods and droughts. Erratic changes in weather patterns make it difficult for farmers to manage their operations according to traditional practices and timelines. Likewise, the secondary impacts on agribusinesses interrupt their ability to provide input supplies, storage, processing and transportation services on a timely basis, further hampering agricultural productivity.

Furthermore, energy costs directly affect the cost of fertilizers. In addition to the process costs for fertilizers – particularly nitrogen – transportation costs greatly influence the final cost of fertilizer to the end user. Farmers in landlocked countries in
Africa typically pay an additional US $50 to $100 per mt for transportation of fertilizers from coastal ports. These combined effects (production and transportation) on the cost of fertilizer to the end user significantly affect demand and utilization of nutrients and, hence, agricultural productivity.

In short, these competing pressures will require the world to produce more food on the same or less land while decreasing negative impacts on air, water and soil fertility associated with nutrient management. The challenge is to address the needs of the one billion people who are currently food insecure, as well as the additional two billion people who will inhabit our planet in the next four decades. This must be accomplished by increasing agricultural productivity to generate more food without putting additional pressure on our already fragile water, land and atmospheric resources.

In the developing world, women play a central role both in agricultural production and in ensuring family health through the provision of sufficient nutritious food. There are both direct and indirect links between increasing agricultural productivity, through enhanced soil fertility management, and meeting the dietary needs of all household members, especially those of women and children. Of particular note is the role that fertilizers can play in fortifying the nutritional value of crops through replenishment of key micronutrients such as zinc, iron, magnesium, etc. Understanding the important role of women (and girls) is needed not only to rectify the prevailing social conditions but also to improve gender balance, which will contribute to more robust fulfillment of human development goals, including better nutrition, health and education.

An important consensus has developed in recent years among agricultural scientists, policymakers and donors about the steps needed to meet these challenges. Donors, governments and private sector enterprises have greatly increased their resources for what ultimately must be a locally driven transformation of smallholder agriculture. Working through an increasingly coordinated architecture to turn knowledge and commitment into action and results, we can reduce poverty and hunger while simultaneously supporting a healthy environment and improving the welfare of societies as a whole. IFDC and its partners are committed to the realization of this goal.

For more than 35 years, IFDC has contributed to this aspiration by strengthening the capability of farmers, rural entrepreneurs and leaders in developing countries to address constraints related to agricultural inputs and, more specifically, soil nutrients. As international focus and resources have returned to agriculture in recent years, IFDC has experienced significant portfolio growth in terms of projects, budget and staffing, as well as in size, reach and geographic scope.

We take this opportunity to update the core elements of our 2009 strategic plan to ensure that it properly charts the course for excellence and success in the rapidly changing world in which we live. In so doing, we have tightened, but not fundamentally modified, our vision, mission and goals to better reflect our particular role and strengths in the larger process of social, economic and environmental change.

To align our growing size with our honed focus, we use this document to lay out the key strategic imperatives for deepening our organizational capacity in terms of personnel and resource management, organizational structure, roles and responsibilities, personnel recruitment, communications and performance monitoring. This 2012-2015 plan defines IFDC, what it does and what its ultimate goals and aspirations are for a world that is prosperous, sustainable and equitable.

I. IFDC’s Vision

IFDC’s vision is a world of healthy, prosperous people who are well-served by productive agricultural systems functioning in harmony with the environment.

II. Mission Statement

IFDC enables smallholder farmers in developing countries to increase agricultural productivity, generate economic growth and practice environmental stewardship by enhancing their ability to manage mineral and organic fertilizers responsibly and participate profitably in input and output markets.

III. Objectives

IFDC’s two paramount objectives are to:

1. Pioneer and catalyze improved plant nutrient performance by developing and disseminating new technologies and practices to smallholder farmers using a range of innovative delivery mechanisms. IFDC is dedicated to the development of the ‘next generation’ of fertilizer products and their production and management so that they are more efficient, productive, cost-effective and environmentally friendly. IFDC leverages its research capability by collaborating with public and private partners in nutrient-related research
and development to make improved products available for commercial sale to smallholder farmers around the world.

Such innovations in products and processes will address the well-known challenges of mineral fertilizers, including low rates of nutrient use efficiency by crops, the possible environmental damage that can occur when these chemicals volatilize into the atmosphere and/or leach into ground and surface water and the potential depletion of key crop nutrients such as phosphorus and potassium. One of the overarching considerations for product development is ensuring that new products are affordable and cost-effective for smallholders with limited financial means.

2. Strengthen input and output markets for the benefit of smallholder farmers. Smallholders around the world are best served by organized, well-functioning markets in which credit is available and where they can buy agro-inputs and sell their production. To operate effectively, such markets require widely available and reliable market information, effective protection from unscrupulous practices such as price-fixing and monopolization and an equitable balance of market power among buyers and sellers. IFDC will continue to improve the transparency, efficiency and equity of markets in developing countries through a methodology that has been developed over the past 15 years.

IV. Principles of Engagement

IFDC has identified six principles of engagement fundamental to achieving our mission. They are:

1. Holistic Solutions: IFDC adopts a systems approach to increase agricultural productivity. Recognizing the key economic and institutional links of the fertilizer sector, our interventions strengthen market participants – and the links among them – along the value chains. While its focus is on the development, marketing and adoption of organic and mineral fertilizers, IFDC promotes integrated agro-input packages that include quality seed, water, crop protection products and equipment, as well as other agro-inputs.

2. Local Capacity Building: IFDC envisions a future when development assistance will no longer be needed to ensure freedom from hunger and poverty. Realizing that goal requires strengthening the local actors and institutions that are ultimately responsible for transforming their countries. IFDC sees development as a long-term process that involves all stakeholders, including entrepreneurs, government ministries, regional economic communities, local authorities, private sector companies, non-governmental organizations, professionals, community members, academics and donors as well as countries’ citizenry and others. Within the scope set by its mission, IFDC commits to building human, scientific, technological and organizational capabilities at all levels – individual, community, institutional and societal – in the countries in which it works.

3. Collaboration: IFDC’s effectiveness depends on successful relationships with a broad array of development agents worldwide. These include those along the value chains in which IFDC operates: researchers, the fertilizer industry, international traders, domestic agro-dealers and business service providers, extension agents,
smallholders, agricultural output traders, processors and others. IFDC also works closely with the policymakers, financial institutions and governments that support them. Through various partnerships, cooperation and contractual mechanisms, IFDC contributes to resource-sharing, policy influence and improved operational efficiency. In so doing, IFDC works to maximize the resources available to its clients and to strengthen the capacity of collaborating organizations to streamline the provision of services and achieve desired results.

4. Farmer-Centered: To most effectively meet the needs of its ultimate clients – smallholder farmers in the developing world – IFDC identifies relevant research and development activities in close collaboration with farmers and also with the major input and output market service providers.

5. Gender Equity and Balance: IFDC is committed to improving the lives of vulnerable populations involved in agriculture around the world so that they benefit from development and prosperity. Often, women and children are the most vulnerable to food insecurity and poverty. Economically empowering women is essential not only to realize social equity but also to achieve broader development goals.

6. Transparent and Accountable Operations: In engaging and inspiring individuals and communities for public benefit, IFDC conducts its activities with transparency, integrity and accountability. As a responsible steward in managing financial resources, IFDC complies with all legal and financial requirements and adheres to sound management and accounting practices. IFDC regularly and openly conveys information to the public about our mission, activities, accomplishments and decision-making processes. IFDC also emphasizes the values of transparency and accountability with all local and international partner organizations.

IFDC’s technical approach aligns its mission and vision with its principles of engagement and field-tested experience to bring about lasting and systemic change in the countries in which it works. IFDC addresses the key links in the value chain that lead from the development and manufacture of fertilizers through their transportation, marketing, purchase and use. IFDC’s work encompasses the flow between two types of value chains – fertilizers and the resulting agricultural outputs produced using fertilizers.

Decades of experience have demonstrated that the price signals and institutional mechanisms in the product chains profoundly impact the propensity of farmers to purchase and properly manage agro-inputs such as fertilizers. Although IFDC’s unique niche lies in the inputs chain, constraints in output markets influence farmers’ decisions to invest in their soil. Therefore, IFDC works with actors in the output value chains to ensure that fertilizers are profitable and properly used by smallholders.

Figure 1 provides a simplified illustration of what are, in reality, complex interactions among IFDC (and its strategic approach) and a vast array of actors along this set of dual, integrated value chains which include:

<table>
<thead>
<tr>
<th>Fertilizer Producers</th>
<th>Smallholder Farmers (consumers of inputs and producers of agricultural commodities)</th>
<th>Output Processors and Traders</th>
<th>Output Consumers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fertilizer Traders</td>
<td></td>
<td></td>
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</table>

Fertilizer Producers | Smallholder Farmers (consumers of inputs and producers of agricultural commodities) | Output Processors and Traders | Output Consumers |
VISION: IFDC's vision is a world of healthy, prosperous people who are well-served by productive agricultural systems functioning in harmony with the environment.

MISSION: IFDC enables smallholder farmers in developing countries to increase agricultural productivity, generate economic growth and practice environmental stewardship by enhancing their ability to manage mineral and organic fertilizers responsibly and participate profitably in input and output markets.

CONTEXT:
1. Increasing demand for food
2. Population growth trends
3. Limited land, water resources
4. Energy costs
5. Policy environment
6. Climate change

PRINCIPLES OF ENGAGEMENT:
1. Holistic solutions
2. Local capacity building
3. Collaboration
4. Farmer-centered
5. Gender equity and balance
6. Transparent and accountable operations

OBJECTIVE 1: Pioneer and catalyze improved plant nutrient performance by developing and disseminating new technologies and practices to smallholder farmers using a range of innovative delivery mechanisms.

OBJECTIVE 2: Strengthen input and output markets for the benefit of smallholder farmers.

Fertilizer Producers
Fertilizer Traders
Smallholder Farmers
Output Processors and Traders
Output Consumers

Soil Nutrients Inputs Value Chain
Agricultural Outputs Value Chain
V. Strategic Intervention Areas

Based on the dual set of integrated value chains shown in Figure 1, IFDC specializes in particular intervention areas, each with a well-developed arsenal of supporting and sometimes cross-cutting activities (Figure 2).

➤ Intervention Area 1: Develop More Efficient Fertilizer Products
Both mineral and organic fertilizers are essential to replenish soil nutrients that are removed by harvested crops, and both types of fertilizers contribute to sustainable crop production. IFDC conducts research and develops products that improve the efficiency of key inputs that smallholder farmers need to ensure the sustainability of soils and natural resources.

Advances in nanotechnology, molecular biology and other technologies will be applied in the development of ‘smart’ fertilizer products that will gradually release nutrients at the time and in the amount needed by plants. Increasing the nutrient uptake efficiencies of nitrogen, phosphorus, potassium and many of the micronutrients permits farmers to optimize application at economically viable rates and will also reduce runoff, greenhouse gas emissions and other forms of environmental degradation.

➤ Intervention Area 2: Improve Nutrient Use Practices for Better Economic and Environmental Outcomes
Technology alone is not sufficient to make advancements in agricultural production; farmers need training in applying new technologies to achieve agricultural intensification while protecting and conserving natural resources. IFDC delivers training and technical assistance to farmers, agro-dealers, extension agents and other stakeholders to provide farmers with the current ‘best agricultural practices’ that include more efficient use of fertilizers and other agro-inputs.

➤ Intervention Area 3: Improve Efficiency of Input Markets
Profitable farming for smallholders requires timely access to affordable fertilizers and other agro-inputs. Over the past 20 years, IFDC has developed a holistic approach to input market development, which has four pillars: 1) Policy and Regulatory Systems; 2) Human Capital Development; 3) Access to Business Finance; and 4) Market Information. Deficiencies in any pillar can cause poor input sector performance. Therefore, IFDC’s approach is to simultaneously address shortcomings in each of the four pillars.

➤ Intervention Area 4: Improve Management Capability and Profitability of Farm Enterprises
Helping smallholder farmers and their organizations develop the skills needed to manage their farms as enterprises is a critical component of IFDC’s work. These skills allow farmers to transition from subsistence farming to commercial production, generating profits that are used to ensure their food security and are reinvested to generate enterprise growth. IFDC trains farmers in the agronomic, environmental protection and business management practices necessary for farmers to regard their farms as businesses, regardless of the size of their operations.

➤ Intervention Area 5: Strengthen and Support Robust Output Markets
Increased production at the farm level only results in improved farm income when there are functioning output markets available to the farmer. IFDC is increasingly focused on the development of output markets, and helping farmers identify and access profitable markets at all levels. This is best accomplished by working with all segments of the agricultural value chain. IFDC works to connect farmers to market opportunities by supporting the creation or strengthening of a variety of farmer-owned and farmer-controlled business structures or mechanisms for marketing their output. IFDC’s training and teaching methodologies prepare farmers to grow products that meet the increasingly strict quality and sanitary standards demanded by buyers in the global marketplace. IFDC generally does not engage directly in interventions aimed at value-added processing and other forms of downstream value creation that prepare the commodity for sale to the ultimate consumer, but it does work with client-constituents to link them to such output markets.

➤ Intervention Area 6: Analyze, Inform and Influence Policy Reform
Policy reform is a critical element of the dynamics of development because the policy environment determines the circumstances influencing economic success and the extent to which the atmosphere is conducive for sustainable agricultural growth. A certain degree of policy coherence is needed as a pre-condition for development interventions to be effective, and the reverse is also true: if the prevailing policy environment is hostile to economic growth, even good development practices will usually fail.

Policy also exerts its influence at all levels of a nation’s economy and hence can be a determinant of development success or failure at multiple junctures. For example, macro-economic policy influences the appeal...
of a country for business investment and robust economic performance, which is a key factor in the development of the private sector through locally generated and foreign direct investment. However, the policy structure dominating a particular business sector must provide the proper ‘rules of the road’ in order for that segment of the economy to succeed.

Once a minimum level of reasonably favorable policy exists, development interventions operate within that policy environment, but the policy also becomes a target of the development process itself. Stakeholders who are constituents of development interventions become empowered to participate in and influence the prevailing policy structures. Because policy permeates so many levels of the business and agricultural environment, policy interventions must, by necessity, address issues throughout all segments of the value chains in which IFDC activities operate.

IFDC’s policy work spans the range of application from policies that are imposed at the level of local markets to national, regional and international policy arenas. As an example, IFDC was the organizer of the Africa Fertilizer Summit held in 2006, from which the Abuj Declaration on Fertilizer for an African Green Revolution was issued. In addition, IFDC has prepared numerous action plans for the creation of effective fertilizer markets and has strengthened civil society organizations to enhance their ability to promote legal and regulatory reform as it pertains to plant nutrients and agricultural marketing.
VI. Implementation

IFDC takes pride in conducting its work with attention to quality performance, value and innovation. Organizational competencies span a range of skill sets in scientific research, project implementation and capacity building. The organizational structure has evolved to align specializations in specific geographies while allowing for the exchange of ideas and skills between geographies. Subject matter specialization units include the Research and Development Division, the Operations Division and Units for Communications, Training and Program Development. IFDC currently has four geographic divisions: North and West Africa; East and Southern Africa; EurAsia and Latin America.

In conducting its work, IFDC has invested in the improvement of its management systems in a number of key areas including financial management, human resources and in outreach and communications. However, the organization still faces challenges that can be addressed by realignment of structures or systems or by improvements in how it carries out certain functions.

IFDC’s strategic plan is considered a functioning document that enhances employee engagement by providing individuals with a direct line from their job description to the vision, mission and objectives of the entire organization. The strategic plan objectives should be leveraged to guide funding choices, decision-making and the setting of priorities, work plans and activities.

In order to achieve the goals and objectives that IFDC has set for itself, there are three critical aspects of strategic planning that must be more specifically developed and executed. The organizational strategies that emerge as imperatives are:

- Align organizational capacity, structure and management processes with the demands of a large, highly competent and results-oriented
development program implementation institution.

- Increase IFDC’s activities to more fully explore and respond to the strategic directions of donors, which may include developing new donor relationships or changing the nature of those donor relationships that already exist.

- Increase IFDC’s geographic footprint and scope of participation in value chains using strategic alliances, public-private partnerships and/or subcontractors.

**VII. Learning and Accountability**

IFDC has the essential responsibility to assess the impact of its actions and to act upon this information. The public has a stake in IFDC’s performance and is entitled to information regarding organizational results. Historically, IFDC has met this responsibility by monitoring and evaluating performance primarily at the project level, consistent with the requirements of project donors. The increased commitment of donors to coordinate around nationally and regionally led strategies provides an opportunity for IFDC to develop innovative approaches to monitoring its own performance as well as assisting countries to track and assess their agriculture sectors.

In implementing this ‘refreshed’ strategic plan, IFDC will put in place defined, cost-effective procedures and priorities for evaluating, both qualitatively and quantitatively, its programs and projects in relation to its mission. These procedures will address program efficiency and effectiveness, topical areas of unique relevance to IFDC’s interests and pursuits, the relationship of these impacts to the costs of achieving them and the outcomes for program participants and ultimate clients. The information gathered regularly will be candid and will include input from program constituents. IFDC will share this information with its clients, stakeholders and the public and use it to continually improve the quality of its processes, programs and activities.

To integrate and strengthen IFDC’s current monitoring and evaluation (M&E) functions, dedicated staff will be placed at each administrative level (project, division and headquarters), supported by the creation of a headquarters-based M&E unit. IFDC will proactively incorporate best M&E practices at the proposal/design and implementation stages of its projects and develop IFDC-specific tools and standards, including a core set of common indicators, M&E guidelines and internal data quality control and feedback mechanisms to enable rapid adjustment of activities to stay on target. IFDC will build indicator data sets that are institute-wide and internally consistent, put in place web-based data-sharing platforms and conduct annual assessments of both technical and operational performance.
VIII. Conclusion

IFDC operates in a rapidly changing and dynamic world. Economic and physical circumstances that drive the context of global agriculture are moving quickly and with considerable unpredictability. The science of agriculture and environment is also moving ahead at an ever-increasing rate of change. Geopolitical forces that shape how the world responds to food insecurity and poverty are also in a constant state of flux.

Because of the dynamics of world agriculture, IFDC has undertaken the task of refreshing its five-year strategy at midpoint. This initiative to modify the plan that was adopted in 2009 was deemed to be important in light of both internal and external changes that have occurred. Internally, the organization has nearly doubled in revenue, expanded its footprint by establishing itself in East and Southern Africa and launched several new initiatives, including the Virtual Fertilizer Research Center. Externally, donors have boosted their commitment to food security and emphasized the importance of agriculture to sustainable development. However, many parts of the world continue to experience high and volatile food, fuel and fertilizer prices and significant food emergencies and shortfalls.

The result of the work of the task force to refresh IFDC’s strategic plan is a concise and unambiguous document, which more clearly aligns the organization’s vision, mission and objectives with its activities and interventions. Furthermore, the strategic plan identifies areas of need for future action in terms of organizational growth and the skills and approaches that will allow IFDC to continue as a robust, relevant and leading organization in addressing the world’s food, agriculture and development challenges now and for years to come.

The plan should serve as a road map that explains the vision, mission and objectives of our organization. It should provide IFDC’s leaders, management and staff with a clearly articulated and logically connected description of what IFDC is trying to achieve and what we can do to make our goals a reality. In order to provide a transition between the existing organization and the kind of organization needed for success and growth in the future, we have identified issues, which will need to be addressed by the organization as it moves forward. The topics mentioned are in need of further exploration, but we have not provided a precise plan for defining how that change should occur.