

## **Cargill and Fighting Rural Poverty in Mexico**

Host: Ted Hart

Guests: Stacey Smida – Cargill

Valeria Olson - Cargill

**Announcer:** Welcome to the CAF America Radio Network, a production of the Charities Aid Foundation of America. As the leader in global giving, CAF America offers more than 20 years of experience and expertise to corporations, foundations, and individuals who wish to give internationally and with enhanced due diligence in the United States. Through its industry-leading grants management programs and philanthropic advisory services, CAF America helps donors amplify their impact.

This show is dedicated to these donors and the charities they support. CAF America is uniquely positioned to serve as the bridge between these important partners and transforms vision into meaningful action. Guests on the CAF America Radio Network are leaders in their field who share tips for success and stories that inspire. Our host is Ted Hart, the CEO of the Charities Aid Foundation of America. This is a live call-in show. Add your voice by calling 914-338-0855. After the show, you can find all of our podcasts at [cafamerica.org](http://cafamerica.org). Don't forget to dial 914-338-0855. Now, welcome the host of the CAF America Radio Network, Ted Hart.

**Ted Hart:** Welcome here to the latest edition of the CAF America Radio Network. Pleased to have you joining us today. We have got a big show. This show is part of our celebration of the Global Giving Tuesday Movement which will take place on December 2nd. Today, we have a really inspiring story about a corporation in the United States, Cargill. That is helping fight rural poverty in Mexico. Here on the show today, it's my pleasure to welcome Stacey Smida. Stacey is the Grants Manager of Cargill. Welcome here to the CAF America Radio Network, Stacey.

**Stacey Smida:** Thank you, Ted.

**Ted:** Great to have you with us. Joining us today is the Director of Corporate Affairs Mexico about Cargill's Educampo Mayab program and that's Valeria Olson. Welcome here to the CAF America Radio Network.

**Valeria Olson:** Thank you, Ted. I'm really, really excited about being able to share with you and your audience.

**Ted:** Well, we're excited to have you here because this program is helping to combat rural poverty in Mexico by connecting farmers to finances, technology, and supplies. This just seems the right time of year to share the story and leading up to Giving Tuesday is an inspiring story that can help others think about how they could make a difference as well. Why don't we start off, Stacey, before we get into the details of the program? If you can talk to us about why Cargill would be involved with the starter program and what this means to a corporation like Cargill, to be fighting rural poverty in Mexico.

**Stacey:** Sure. Cargill as a global company is committed to ending the global security around the world. With that, I mean, poverty is everywhere, but we feel that we have obligation on the global citizen to make change in that area.

**Ted:** This whole issue of food and access to food and the kind of security that that can bring is at the heart of fighting rural poverty?

**Stacey:** Definitely. I mean, Cargill's vision is to feed the world's growing population, so we are just committed with our operations that we have, present in 67 countries.

**Ted:** On the [cafamerica.org](http://cafamerica.org) website, we have one of our Giving Tuesday profiles, we feature your work on helping smallholder farms increase productivity and incomes in rural Mexico. Valeria, can you help us now bridge how does a company like Cargill make this kind of difference in rural parts of Mexico?

**Valeria:** Sure, Ted. Well, if it's okay, I would like to start by setting the ground for the conversation for you and your audience to be a little bit more aware and familiar with what this program that you've mentioned is all about.

**Ted:** We would love that. Thank you.

**Valeria:** Great. Well, I would like to start by saying that the aim of this program which is called Educampo Mayab, is in simple terms to increase the producers' income by improving their productivity per hectare. To promote the creation of self-managed organizations with shared values, cooperative spirit, and business vision, and last but definitely not least, to link the resulting self-managed organizations to the market by having them offer competitive products. You have to understand that these producers, these smallholder farmers, live in areas of extreme poverty and they basically do agriculture to subsist, to survive. They usually eat themselves what they plant.

How do we achieve those three objectives that I shared with you at the start of my participation, increase the producers' incomes, become more organized, and give them access to commercial markets? What we do with the foundation, Fundación Mexicana para el Desarrollo Rural, in English that would be the Foundation for Rural Development in Mexico, what we do with them is train the smallholder farmers on diverse matters relevant to human development, that's just for starters, their human development and unsustainable agriculture including topics like productivity, commercialization, and organization. We accompany them throughout the process to effectively help them apply what they're learning. The program walks hand-in-hand with them as needed until they, themselves, after the full five-year-long process, successfully learn to plan ahead, administer their incomes and expenses, improve their commercialization skills and understand what is needed to increase productivity, yield, incomes and overall livelihood through this agricultural activity.

**Ted:** What an inspiring story to bring so many skills to rural parts of any part of the world but certainly for Mexico to bring to them skills that's going to allow them to think about their livelihood in an entirely different way.

**Valeria:** That is correct. I like to believe that, and I definitely agree with you. I mean, things as simple as providing them with tools that will also allow them to be subject to finance, be subjects of credit and finance so that they can, ahead of time, get the best technological package or the most out of a technological package to the needs of the area, so that they can improve their yields along with giving them technical assistance throughout the whole process. Something as simple as that has resulted at least in the case of the two years that we are in the process of the second year of this five-year program, but so far, the average increase in the yields have gone from one ton per hectare to around four tons per hectare. That is huge.

**Ted:** That's an incredible increase for such a period of time. That's really incredible. If I can ask, Stacey, I am so impressed that a program of this sort, because I think] it's often the case, there's a lot of criticism of corporations and foundations who might fund the project, but do it on such a period of time, that there really isn't time to see the outcomes or the impact and commitment over a longer period of time seems to really make the difference.

**Stacey:** Definitely, and I think that really is key to our business strategy as well. This goes along with the strategic giving that we do, that really brings purpose and alignment to Cargill's overall philanthropic efforts. It is not just about writing a check and handing that check over to the non-profits, but it's really about creating that relationship and meaningful partnership, that we're not just there for that one-year term, but we're really there for that long-term opportunity to end that solution.

**Ted:** In this time of year, it reminds of the adage, "Give a man a fish, you can feed him by teaching him to fish," and what you're doing is in a very real way, taking what is-- Valeria, you said they were subsisting, they would make enough for themselves and their family, they would eat what they grew, hopefully, grow enough to make a little bit of money on the side, but you're changing that dynamic completely by teaching them an entirely different way of doing what they already know how to do.

**Valeria:** Exactly, Ted. I think you just summed it up quite well. That is the goal. That is what we considered in choosing this kind of program with this foundation instead of other alternatives out there. The objective is for the producers to be able to do this without our presence or without the foundation's presence after the five years of the program.

**Ted:** When I hear about programs like these, my mind automatically goes to the next generations and how teaching these kinds of skills to the current generation opens up a whole world of opportunities to succeeding generations.

**Valeria:** Yes. Absolutely. I think that this is something that hopefully will permeate even further than the groups of producers that we're working with right now. Like you said that it goes through learning from son to father.

**Ted:** That's going to open up more opportunities for these families to really be captains of their own destiny as opposed to I would imagine, Valeria, what you said that for some of these families they were easily taken advantage over, easily were victimized because they had so few

options. Now that they are learning more skills and they are more productive and as you said, they are moving from one hectare to four hectares and now opening up markets that allow them to actually sell that access, they now are seeing a whole new level of success for their own family.

**Valeria:** Interesting you should mention that because in fact one of these things that we often tell as part of the success story behind this, is how we were able to get the producers to join the program. At first, there was lots of resistance because they had come from previous experiences where they were deceived by supposed organizations or people who were promising things that they would then not deliver on.

At first, there was certain resistance, but some of the farmers joined the program and when their neighbors started seeing the results and how this was something that was entirely law-abiding and formal and they all were-- Many of them started raising their hands and trying to join. That's how we've raised the number to 200 farmers so far and we're hoping to reach the 300 figure next year.

**Ted:** Bravo for you Valeria to hang in there, because, Stacey, you can imagine that where there have been promises not kept in the past, it raises the barrier of difficulty in making programs of the sort successful now.

**Stacey:** Definitely. Along with that Ted, I would like to say I think that's part of the commitment when we do reach into these larger partnerships like these that we do have. It's as a multiyear for an ongoing program such as this to make sure that we are obtaining the results that were initially part of the program. If the results aren't being met, we can maybe make some adjustments to the program outcomes or if there is something else that needs to be adjusted so that the program can be successful and continue to thrive, even after Cargo maybe removes themselves from the program but that is still a livelihood for these farmers as well.

**Ted:** You can imagine that with this kind of success, programs like these can become self-sustaining and can grow throughout an entire region. Valeria Olson and Stacey Smider are my guests here on the CAF America Radio Network. We're going to take a very brief break. When we come back, I want to explore with both of these wonderful experts, what does the future hold for these families, for this region and this model of support? We'll be right back.

**Announcer:** Remember our podcast and archives are always available 24 hours a day at [cafamerica.org](http://cafamerica.org). If you're listening to today, our phone lines are open. Call in and ask a question by dialing 914-338-0855. Now, back to the CAF America Radio Network and our host, Ted Hart.

**Ted:** We're back here. I'm celebrating the run-up to giving Tuesday. Our topic today is The Wonderful Work and Support that Cargill is giving to fighting rural poverty in Mexico. Our experts here today are Stacey Smider, who is the grants manager at Cargill, and Valeria Olson, director of the Corporate Affairs Mexico. Valeria, back to you. I wanted to talk about what does the future look like for these farmers, these families and this region?

**Valeria:** Sure Ted. Well, let me tell you. The whole reason behind choosing this kind of program and choosing or going after one of the products that is a staple in any Mexico diet which is white corn used to make tortillas is in order to in the end have these smallholder farmers which in Latin America are usually called Campesinos, become small agricultural entrepreneurs. The reason that we also bet on having this become a possibility or become a reality, is that it closes a really positive virtual circle.

If these smallholder farmers acquire all the tools needed to by themselves become successful producers and thrive, we're hoping that they can thrive with us. Meaning that they will be suppliers of Cargill for the longer term. We will then not only have the suppliers, but hopefully partners in feeding the world. I hope that is what the future looks like for this these farmers and their families.

**Ted:** Families that now have a much larger array of tools available to them to be successful, to have the pride that brings along with having larger production on their own land, more wealth that they're able to build for their families and their communities. Stacey, how does this feed into Cargill's global approach to helping communities and helping people?

**Stacey:** Yes. Farmer training programs like this one in Mexico are really important to Cargill and the overall agricultural supply chain. It's not that we're just funding a project share in Mexico. We're also doing funding of projects similar to these in Ghana, where we're promoting smallholder farmers in the cocoa sector. Some are projects in Nicaragua, where we're working with Tecno serve and we're serving 400 farmers.

Really, they're receiving training on how to increase their productivity. It's really about the livelihoods of our farmers and our consumers of where we have it present.

**Ted:** CAF America is honored to be part of your efforts to help around the world. CAF America being an international intermediary that helps corporations of your sorts meet what we call the three Rs, making sure that certainly, we are complying with regulatory requirements but also removing the risk that there can be in supporting international charities from the United States, but also protecting reputation.

It seems that in this regard, they are protecting the reputation of a fine company like Cargill, is a partnership. CAF America does its efforts to make sure that every aspect of the grant program is managed professionally and handled professionally. Cargill doesn't just sit back and rest on its morals. In this case, it seems that you're being very proactive in building that brand by helping families, helping communities become even stronger themselves.

**Stacey:** Definitely, Ted. I would say the funding that Cargill does and the work that we do through CAF America is a really realigned and what is happening on the growing locally in these career communities. Without the ambassadors such Valeria and her team in Mexico and the others that we have around the world, we won't be able to make contributions such as these, because we really are at the corporate level given staff constraints and what we do corporately really rely on our corporate affairs, colleagues or other colleagues around the world to really be

monitoring this and working with these local partners locally to ensure that everything is going on track and that they are meeting those challenges.

**Ted:** I suppose one way for a company like Cargo to do its work will be so passively looking around the world for a supply, but you're being very proactive in saying, "Listen, we are partners." We have people who themselves want to be successful and we can be successful together by bringing the very best tools to our partners.

**Stacey:** Definitely. I think along with that is, if this is something that is working in Mexico is there another area of the countries that this maybe would work, and that we could replicate the work? Farming is a tradition that is in global nature. It may be that the weather conditions may be different or the farming techniques may be different, but all that is just manual change. The mentality of farmer trainings, and increasing yields and bringing income into these farmers is something that needs and should be done globally around the world.

**Ted:** Valeria, what is it like to be there on the ground and to actually see the look on the face of some of those that may have felt that this wouldn't work, or hasn't worked in the past, and they actually see the production, and they actually see the changes in their community? What's that like to be with those families?

**Valeria:** I don't even know where to start to answer that question, Ted. It's hard to put words on such a feeling. These people opened their homes to you, and their homes are humble, really humble homes. They not only open the doors for you to go in to share food with them, but they explain to you how their regular life goes. You get to meet the wife, the children.

The gratitude from something that they can see has had a positive effect on their life, not only of the producer himself, but also of the entire family is something that you get a chance to see first hand, because these people are willing to show you how big a deal something like this is to them, to know that there is someone out there who sees them as a potential partner. They're tired of getting the kind of help that you referred to before just to survive, certain supports which are needed, I'm not going to say they're not, but when they see someone who's interested in teaching them so that they can become a partner, they see that they're valued. That makes a huge difference in their whole way of thinking.

**Ted:** That just lifts the pride of the community, the ability for people to stand up tall and probably even work even harder, because they see there's more of an output and more of an opportunity, and then to, of course, partner with a company like Cargill that has the expertise, and is able to share that expertise. Then, Stacey, by being successful communities like this around the world, you actually are able to do more for families who are not farmers by bringing food to the world.

**Stacey:** Yes. I would say one of our key social factors is food security. We're really wanting to help us achieve that goal. We support policies that let markets work and enable farmers to really thrive, grow their work, increase agriculture productivity, but also increasing their incomes and ensuring responsible land use, which I think is very key in this example here in

Mexico, promoting and expanding access to food. Nutrition is such a big factor right now, and everything that we do, whether it's from a commercial side as well as from a charitable contribution side of it too. The ultimate goal is really to pursue partnerships that really end hunger, to really help feed the growing population.

**Ted:** This really shows how much of a global family we are, because I'm guessing that the techniques that you're bringing to rural Mexico are well known around the world, are available around the world, but when you're in rural Mexico, they might as well be at another planet because you don't have access to them until you're able to be part of a program like this.

**Stacey:** I think that's really where we realized in the expertise, they're locally in countries to be able to seek out these local partnerships. We have global partners as well, but when it's really on-the-ground work, it's really important that there is that local buy in from our businesses, corporate fair staff, and also from the communities that were in helping to generate income.

**Ted:** We are so blessed here at CAF America to work with Cargill around so many different projects. What are some of the other programs that Cargill supports around the world?

**Stacey:** As I mentioned, food security is obviously one of our key social factors that we are really interested in. Cargill is a huge supporter of ongoing support for food banks around the world. We're providing many dollars and volunteer hours to global food banks around the world. A couple to mention maybe are the European Federation of Food Banks. Cargill also worked with the country's first food bank in India. Food banks and bringing breakfast to children to the Breakfast For Learning program in Canada, these are all really important to Cargill as we're looking to alleviate hunger.

**Ted:** Well, bravo. I wanted to ask you, being just part of our GivingTuesday series, this is a global movement that CAF America is a proud sponsor of our subsidiary, CAF Canada, up in Canada, and is part of the CAF Global Alliance offices on six continents around the world. We work with donors and we work with organizations like Cargill. What does GivingTuesday mean to Cargill?

**Stacey:** I think it's raising awareness to, whether it's global companies out there, small companies out there, even just regular Joe out there to know that it's important to volunteer, it's important to give back. Giving Tuesday doesn't necessarily need to be about making any financial contribution, it can be as well as volunteering at your local soup kitchen, or just making a difference in your community, and raising awareness about what the needs are, and bringing teams together, bringing unity amongst other people in your families and in the communities as well.

**Ted:** It could be as simple as helping a neighbor who's in need-

**Stacey:** Definitely.

**Ted:** - that giving back, and helping communities. Well, I have to say as we wind down our show today. What an inspiring story? These are real lives who go into the holiday season being in risk

because Cargill thought to support this program. Valeria, the team on the ground there worked so hard to, as you said, overcome some of the opposition because of things that didn't work in the past. I imagine that your work just gets easier and easier, so I'm going to ask both of you to have an opportunity to wrap up here. We need to take about a minute. Valeria, we'll go with you first. Holiday season in the success of this program, what does that mean for those families?

**Valeria:** I think it means success, it means thriving, it means for us at Cargill, creating true shared value, being able to interconnect a network to develop win-win relationships in a sustainable manner towards our objectives on food security, on sustainability, on education, all for the improvement or betterment of all involved. For these families, I'm pretty certain that it means the same, that they're looking at Cargill as someone who can give them this opportunity to be part of this value chain on agriculture and what they know how to do best.

**Ted:** Well, Valeria, thank you on behalf of all of us here at CAF America for the important work that you and Cargill do. Stacey, just one minute left to wrap up in terms of how this fits for Cargill and the kind of work that you folks are doing. Just wrap up the shelf for us.

**Stacey:** Sure. I guess I'd like to just-- Giving Tuesday is around the holidays, it is about raising awareness of hunger and local social issue needs that are in communities. It doesn't just have to happen around the holiday season. Hunger is an issue that children, youth, adults, everyone is facing year around. I don't think that it necessarily just needs to be focused around the holidays. Holidays is the time to raise additional awareness to it, but school time, after school time in the summer, these are times when kids are hungry as well, because they are losing that, maybe, opportunity to have breakfast or to have lunch.

I think raising the awareness that hunger is there it's not going to go away unless you make a change. Just thinking about it on a continual basis and not necessarily just for the holidays.

**Ted:** That's great. Well, Stacey, Valeria, thank you so much for being our guests today here on the CAF America Radio Network.

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