NATIONAL DIALOGUE OUTCOMES

PATHWAYS - GAME CHANGERS - HOW TO GET THERE

COMMODITY DIALOGUES



FOOD SYSTEMS DIALOGUES
TOWARDS THE UNITED NATIONS FOOD SYSTEM SUMMIT

The Call for Food System Approach

In response to the United Nations (UN) call to **Decade of Action** towards achieving the Sustainable Development Goals (SDGs) by 2030, Eswatini government with sector stakeholders organized local **Food Systems Summit (FSS) dialogues**, between **May and September 2021**, in preparation for the planned UN FSS to take place on 23rd September 2021. As a consultation process, the FSS dialogues focused on improving the speed and quality of the **country's policies and delivery strategies** on food system development and unlocking the potential to sustainable prosperity of Emaswati.

The Eswatini Dialogues- Leaving No Person Behind

Despite COVID 19 disruption, the country successfully held over **16 FSS gatherings** composed of: five(5) senior government and partners meetings, one (1) independent dialogue for Farmers, nine(9) commodity Value Chain dialogues and one (1) targeted nutrition & social protection platform. Facilitated dialogues included Accelerating Household Food Security, Agriculture *Indaba* (Summit), Eswatini Farmers Contributing to Sustainable Food Systems (ESNAU), Value Chain dialogues for: Dairy, beef, vegetables, fruits, maize and beans, sugar, pork, cotton and nutrition and social protection.

Over **867 people** actively contributed to Eswatini FSS dialogues from a diverse spectrum including: 251 farmers, 205 government personnel, 48 private organizations staff, 85 civil society representative, 48 independent groups and 50 individuals. Extended participation was enabled through live-streaming on social media platforms. The dialogues considered and validated options for game-changing propositions for action along the five FSS Action Tracks; responding to Gender, Human Rights, Finance and Innovation.

Main Issues

The FSS dialogues confirmed the urgency to intensify and improve ongoing initiatives' focusing on inclusiveness to: better understand Consumers' food and nutrition needs, improve value chains delivery systems and catalyze effective coordination, collaboration and learning among players. The live discussions lead to agreed immediate actions while divergent views were deferred for further discussions. Agreed actions were building on ongoing government initiatives drawn from the transformational instrument based National Agriculture Investment Plan (NAIP), and other developments along value chains to support Food and nutrition programmes such as School Feeding and Social Protection Programmes.

Outcomes of the dialogue revealed major challenges to local food systems towards addressing the "Eswatini's triple burden" of malnutrition marked by stunting, anaemia and overweight in children under five years of age; high incidence of poverty (58.9%) due to structural and systematic exclusion of smallholder producers on Swazi Nation Land (under traditional tenure). The main causes included high vulnerability, low production and productivity, poor linkages and coordination, limited access to finance, Poor agricultural information and data systems, weak institutions and policy implementation; and

unsustainable exposure to trade and climatic shocks. Given the magnitude and urgency to deliver, **Game Changing Pathways** to accelerated implementation were committed to as described below.

Dialogue Outcomes Pathways - Game Changers - How to get there

The dialogues dramatically elevated public discourse about the importance of food systems leading to the achievement of the SDGs. Looking at the deliberation and key findings, significant action, with measurable outcomes can enable achievement of the 2030 goals. These consisted of, review of strategies, regulations, performances and interactions with and between industry stakeholders to achieved success along value chains. Government had already started initiatives to structure agriculture commodity chains to lead to concrete sector development plans, most of which formed part of the dialogues. The organization and structuring of the agricultural commodity chains was seen as the flagship underlying game changing action signaling concrete action towards transforming food systems. It is envisaged the SDPAs will pave the way systemic interventions, investments and engagement by participating stakeholders in the agro-food systems. The deliberations provided a validation of the Agri -Invest development approach and will go a long way towards supporting contributing to the Eswatini National Agricultural Investment Plan (ENAIP) and implementation thereof in partnership with private sector but leaving no one behind. Along, the system of follow-up and review that will drive new actions and results, allow for sharing of experiences, lessons, and knowledge, and incorporate new metrics for impact analysis.

From the dialogues, the GoE and stakeholders have identified the following concrete pathways/game Changers on how to transform the food system in the country:

1. Agricultural Value Chain planning and Structuring:

This intervention will address varied components of the classified "action tracks", especially Action Track 4 (Advancing Equitable Livelihoods) through identifying opportunities and commitment by the State, Private Sector and other value chain actors to invest in priority commodities and ancillary services to increase output, create jobs and contribute to national income. This game changer leads to concrete plans along each commodity chain agreed by all value chain players-**Sector Development Plan Agreements.** These are viewed as concrete smallholder inclusive and Public-Private Partnership Scheme defined along each agricultural value chain. Each SDPA explicitly spells-out:

- Sector objectives: possibly, competitiveness, reduced imports, increased exports, improved trade balance, affordable price for consumers, job creation, food and nutrition security
- The smallholder inclusive business models
- Quantified investment needs and commitments by the private sector (farmers, firms, bankers...)
- The enabling measures (regulatory, fiscal, infrastructure development, communicative, smart subsidies...) to be deployed by Government and the quantified required public sector investments.
- Arrangements to build trust, traceability and ensure accountability

The work also involved facilitating formation and registration of agriculture industry associations as key players to the SDPA. Strengthened farmer organizations and other key value chain players (including informal sector) affiliation in industry associations. Opportunities are studied and identified based on potential, set targets and objectives for each commodity. Specific investments and the required enabling environment in each commodity is created. Government and value chain actors agree on specific roles to deliver the targets through Sector Development Plans Agreements defining roles. This will address the following:

- Promotion of Local Industries
- Promotion of Local Production and productivity
- Mainstreaming Climate Smart Practices
- Declaration of Infancy-industry
- Inclusive Commercialization of Smallholder farmers
- Investment in Export Markets

2. Establish and operationalise the Agricultural Development Fund:

The establishment of an appropriate public finance mechanism will provide incentives to stimulate advancement of all five (5) Action Tracks through deployment of specific instruments or stimulus and or disincentives for certain actions. **The action requires an established** Public finance mechanism-Agriculture Fund with financing instruments/facilities for:

- de-risking and risk-sharing facilities for smallholder producers and private green businesses engaged in food systems
- Improving access to agricultural inputs by farmers
- Developing strategic and resilient agricultural value chain Infrastructure
- Enhancing agricultural Marketing and Trade –incentivizing localized food systems (import substitution)
- Ensuring sustainable management of natural agricultural resources
- EADF Contingency Fund Facility
- Youth starter packs

This will catalyse commercial finance and insurance products tailor made for the needs of value chain actors including mentoring and collaboration with industry veterans who should be supported to lower the risk of failure and improve bankability of youth agriculture enterprises. This will be deployed through smart Subsidies, Matching grants, Guarantees and other tailored financial instruments to be designed.

3. Integrated Digital Agri-Information Systems:

This action will facilitate establishment of an Integrated Digital Agri-data and Information Systems that support a digital registry of farmers and value chains players and their activities in the food systems function. This integration of data portals and systems will reduce information asymmetry and transaction costs between industry players and dramatically improves efficiency, effectiveness of programmes and their targeting. Through innovative technologies employed to exploit the internet of things and facilitate industry trade information database, analysis, predictive modeling and deep learning, supporting risk management, demand consolidation, understanding present and future needs, consumption patterns and seasonal performance. This will be possible with the establishment of:

- Agri Information systems,
- Digitalization of Agriculture
- Digital Commodity Exchange platform
- Production Planning Scheduling (contracting and product tracing)
- Market observatory and security
- Agri-trade Data Repository and inter-portal data sharing

4. <u>Institutional Re-engineering:</u>

This action will contribute to Action Track 2, and primarily to enable interventions across all the other action tracks where there are institutional and policy bottlenecks. The focus of the reforms will be on public marketing boards, improving land management while capacitating private players to seamlessly take up the productive roles in the value chains. This will include reviewing of import regulation to stimulate local sourcing and growth of infant agriculture industries. Establishment of industry regulators, access to productive land, biodiversity and genetics including GMOs, phytosanitary, export regulation and promotion of good agriculture practices. Facilitating the health of local value chains through price monitoring and engagement, imports and export control, facilitating industry dialogues on issues of interests and supporting legislation development. To achieve this the country will have to:

- Facilitate phased de-coupling of the conflated roles of Government and its institutions in the market which may require revisiting the constitutional mandate of Agriculture Marketing Boards and related institutions
- Strengthening the convening power, structure and capacity of the Nutrition Council
- Sector wide review of legislative and regulatory instruments to enable the business of agriculture
- Improve systems for Monitoring, Evaluation and Oversight.

5. <u>Support, Upscale safe and nutritious food for all</u>:

In line with Action Tracks: 1, 2 and 5 as a cross cutting issue in how things are done, through priority nutrition needs actively led by consumer groups, the country should facilitate identification of food and nutrition security strategic crops for public support in the form of

smart subsidies, nutrient fortification and value addition to meet the needs of the population. Identification of critical vulnerable groups and supporting dietary needs and food access mechanism that address economic situations. All this will require the country to:

- Promote healthy eating and lifestyle
- Promote sustainable consumption practices
- Support School Feeding Programme
- Assist the poor and crises affected food insecure population
- Support vulnerable groups specific food and nutrition needs (Pregnant women, NCD affected etc)
- Coordinate nutrition fortification initiatives
- Promote Nutritious Indigenous foods