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# ANNUAL POLICY CONFERENCE

## 16 – 17 June, 2015

### REPORT



## **INTRODUCTION:**

The Swaziland National Agricultural Union (SNAU) held its annual policy conference on the 16<sup>th</sup> and 17<sup>th</sup> of June 2015 at Sibane Hotel. The conference preceded the Annual General Meeting of the Union which was held on the 18<sup>th</sup> of June 2015 at the same venue. The annual policy conference is the major calendar event of the Union, that brings together key players in the agriculture sector that include farmers, financiers, government ministries, policy makers, NGOs, private sector, etc.

The title of the annual policy conference was **“Inclusive Agricultural Growth and Development”**. The issue of inclusion in agriculture development has attracted the attention of farmers who have felt there is need to improve inclusion with regard to youth and women, policy development, and access to finance. The topics of the conference were influenced by farmers and the program of the conference was designed in such a way that would create a good platform for participants to address the issues of inclusion and to come up with practical recommendations that would be useful in agriculture growth and development.

The conference was attended by 97 people (16 women, 13 youth) coming from the Union’s stakeholders and partners at national and SADC level. The Chief Executive Officer of the Southern African Confederation of Agricultural Unions (SACAU) Mr. Ishmael Sunga participated in the conference, presenting a regional view of inclusive agricultural growth and development. The presence of policy makers that include Members of Parliament, members of the Agriculture Portfolio Committee, and the Minister of Agriculture also brought excitement and hope to participants that the recommendations being made by the conference shall indeed be taken to the next level and probably be implemented in the near future.

The conference was officially opened on the second day (17 June 2015) by the Minister of Agriculture, Mr. Moses Vilakati who also gave a worthwhile presentation of the current initiatives and pipeline activities of the Ministry of agriculture. Alongside with the conference was a dinner which was also organized whereby members of the Union had the opportunity to interact closely with the Minister of Agriculture on the evening of the 17<sup>th</sup> June 2015.

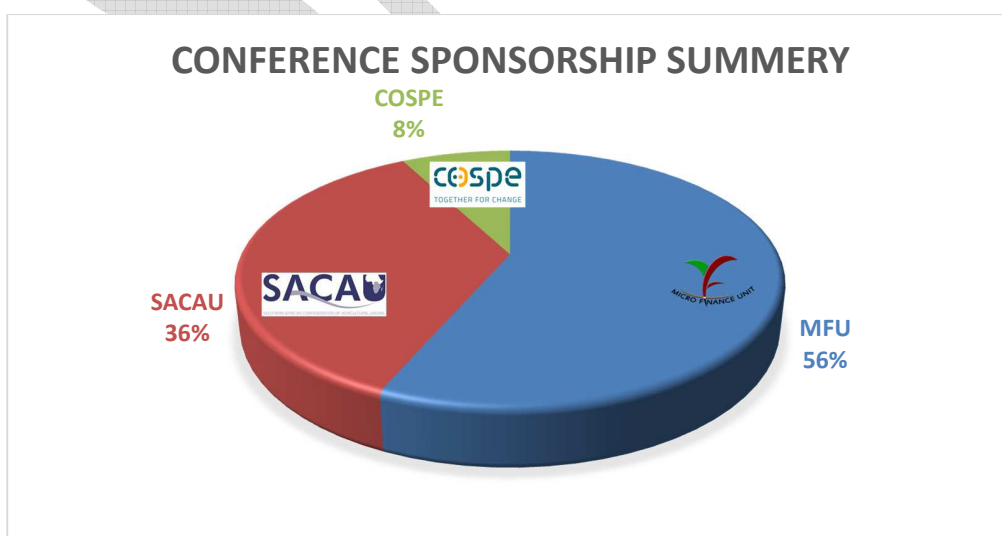
## **A. THE OBJECTIVE OF THE CONFERENCE:**

The policy conference is aligned with pillar number four (Policy, Education and Advocacy) of the Union's strategic plan which seeks "to improve members' participation in agriculture policy development and understanding of the agriculture policies as they relate to farming, food and nutrition security and further integrate women and youth mainstreaming in agricultural policies and national development.

The objective of the conference was to create a platform for stakeholders to discuss under the topic "Inclusive Agricultural Growth and Development", on specific issues that include youth and women involvement in agriculture, policy practices and effective institutions, finance for smallholder farmers, CADDP and the Malabo Declaration on African Agriculture. Another objective was to come up with key messages, recommendations and positions which would be used by the Union in collaboration with relevant stakeholders in lobbying and advocating for specific issues resolved by the conference.

## **B. WHO SPONSORED THE ANNUAL CONFERENCE**

The Union is grateful to the Microfinance Unit (MFU), Southern African Confederation of Agricultural Union (SACAU), and COSPE for financially supporting the annual policy conference.



## C. SUMMARY OF DELIBERATIONS

### Session I: Youth in Agriculture

#### **Observation:**

*The farming community in Swaziland is aging and there are very few entrants into agriculture. There is poor succession due to poor youth participation (72.9% youth not participating). Youth perceive agriculture as labor intensive.*

#### **Comments and Recommendations**

- There is a need for parent farmers to involve their children in agribusiness so as to cultivate the interest for agriculture in their children. However, the youth should not only be involved in the provision of agriculture labor but also in marketing and profit sharing as well. This will promote changing the perception of the youth that agriculture is labor intensive, and will make the youth realize that agriculture has the potential to generate adequate income.
- There is need to revive some cultural practices that were encouraging to the youth with regard to agriculture involvement at family level. The practice of *kusisela* for instance whereby parents were giving authority to their children to manage and/or own livestock (i.e chicken, cows) and fields was good because it made youth to develop interest in farming.
- The youth is not only interested but also very skilled and innovative when it comes to technology and communication. This interest and skills can be harness for the betterment of agriculture growth and development. The youth is very active in the use of internet, and social media networks. Information, communication and technology is less labor intensive, and can be better explored to improve information sharing and communication in agriculture value chains and market linkages.
- One of the reasons for low youth participation in agriculture is the high rate of failure in agribusinesses. There is a great need to express the viability of farming businesses to attract the youth. The farming community should showcase role models in agribusiness.

- It has been observed that the agriculture sector is used as last resort, or rather a repository for initiatives that have failed. Stakeholders should improve their collaboration to advance the performance of the sector so that it can be more attractive to people as a first not last carrier option.
- Some traditional structures are not friendly to the youth. For instance, some community meetings do not start at time, and the duration of some meetings is very long. Moreover, the youth is usually not included in the agenda of such meetings. There is a need to create a more favorable environment in the local traditional and developmental structures.
- There is a need to address youth related issues separately within organizations. Farmer organizations like SNAU are encouraged to establish a youth wing which will address specific issues to the youth in agriculture. Mixing of ages tends to cloud issues and not mainstream the youth. It would be advisable to involve youth in decision making structures for institutions like SNAU and other related organizations.
- There is a need to ensure access to important resources for the youth (e.g. land, extension services, finances, etc). Youth agribusiness competitions can also motivate the youth to be more involved in agriculture.
- SNAU / SNYC should advocate for policy development on youth affairs. Youth should be involved in policy formulations.
- UNISWA Faculty of Agriculture & Consumer Science should harness mentorship programs for graduates. This will motivate graduates to venture into agribusinesses instead of looking for white collar jobs after graduating. It will also provide graduates with good opportunities to access business finance because financiers would have a track record of the performance of the business during the mentorship programs.

## Session II: Women in Agriculture

**Observation:** Generally women are responsible for up to 80% of food production, however they are often marginalized and lack support in many African countries. Women's access to resources is fundamental.

### Comments and Recommendations

- Despite the adoption of the constitution of the country, women are still marginalized in Swaziland, particularly in the traditional structures. There is therefore a need to uphold the constitution and support women. Access to land and finance is still a challenge to women; there is a need to treat women equally with men.
- There is a need to identify women's needs according to their different categories in order to provide relevant support.
- Opportunities should be created for women to share their experiences and successes with other women as a means of uplifting each other.
- Policies for women should be put in place with involvement of the women.

## Session III: Inclusive Policy Practices and Effective Institutional Capacities.

**Observation:** The policy environment in the country is very important for successful implementation of any strategy. It has therefore been observed that while there are still a number of policies that need to be formulated in the country, there are very good policies and strategies that have been developed but lack in effective execution and evaluation.

### Comments and Recommendations

- The NDS and CASP are excellent policies; however implementation is still inadequate. There is a need to improve the effectiveness of the implementation and the evaluation of these policies.

- Most of the developed agriculture policies lacked inclusiveness of farmers and other stakeholders during formulation. There is therefore a need to improve involvement of farmers and other stakeholders in policy development.
- It is always advisable to develop policies with good stretch targets which will challenge the implementers to achieve the set goals and objectives. There should be good monitoring and evaluation tools to monitor the execution of policies by independent bodies. This will help improve strategy executions.
- There is an urgent need to enact an act of parliament establishing SNAU. This would help improve the farmers' organization recognition from government and stakeholders.
- Farmers should be included in the national marketing boards and should be consulted in formulation of prices for commodities.
- There is a need for extensive consultation with farmers when government implements new strategies, e.g. input subsidies procurement & distribution.
- The MOA should play the facilitating role when dealing with farming issues. MOA is not expected to also participate in service provision, such should be out-sourced. MOA should consider out-sourcing the tractor hire service for effective and efficient service delivery. Currently the service is surrounded by a lot of inefficiencies.
- The delays in obtaining soil sample results, contributes to yield decline due to delays in planting time. There is immanent need to upgrade and equip the research unit.
- Agriculture is multifaceted therefore cannot be left to MOA alone, there is a need for collaborative efforts with other ministries for effective and efficient strategy execution. Government should consider reviving the inter-ministerial committee.
- The land policy needs to be approved and implemented to address a lot of challenges in the agriculture sector.
- The question "who is the farmer" has been asked in a number of forums including the 2014 annual policy conference organized by SNAU. It is very important for the government and stakeholders to define "a farmer" so that programmes and projects that are targeting farmers may be directed to the true farmers.

## Session IV: Access to finance for smallholder farmers

**Observation:** *The sector is performing poorly financially lending to about 7% of the adult population, micro finance institutions have limited resources, and poor relationship with banks, and farmers have limited entrepreneurship technics and management skills. There is a major problem in having access to information.*

### Comments and Recommendations

- The micro-finance sector of the country is still at a developing stage, there is need for enhanced stakeholder collaboration to improve the sector performance.
- Majority of smallholder farmers usually lack collaterals, and Banks are risks averse. As a result, many smallholder farmers' business loan applications are not successful. Farmers need to do proper risk assessment and mitigation strategies to improve their chances of accessing credit. The government and stakeholders that include SNAU need to work together to address the issue of collateral for smallholder farmers.
- The loan guarantee scheme provided by the government is limited to commercial banks only. This means that farmers who cannot access finances from commercial banks cannot benefit from the guarantee scheme. A majority of smallholder farmers do access credit from micro-finance institutions, therefore, it is recommended that MFIs should also be considered in implementing the loan guarantee schemes.
- Farmers should be well-prepared and commercially oriented in order to access business finance. Finance institutions and farmer organization need to work together to encourage farmers to approach farming as a business. Moreover, farmer profiling will be important to ensure that viable agribusinesses are given the attention they deserve.
- Farmers are usually reluctant to prepare business plans or to enroll for business trainings that are provided at a cost. However, financiers require reliable information that demonstrate business viability, therefore, it will be important for farmers to develop a positive attitude towards business trainings and adherence to



business practices. Mentorship and coaching programs are necessary to support farmers in their enterprises.

- There is need to improve the performance of financial institutions in the loan portfolio. Sector oriented professional staff should be employed by financial institutions to carry out evaluations of loan applications and to establish a monitoring strategy for agribusinesses. There is also need for financial institutions to develop appropriate agricultural financial products that are friendly and promoting agribusiness development.
- Multi-stakeholder support is very important in improving access to finance for smallholder farmers. On-going initiatives in the country include government funded schemes (SSCGS, ECGS), government development funds (RDF, CPRF), business development support (trainings), technical and policy support (EU, IFAD, TNS, MFU, FAO) and insurance services (Lidwala Insurance, SRIC). There is a need to enhance the performance of these initiatives through improving their targeting, and information sharing on the support they provide to farmers.
- SNAU should consider facilitating the establishment of a farmers' bank which will facilitate access to business finance for farmers with customized credit and insurance packages.
- The sugar cane sub-sector seems to be the only one in the agriculture sector that attracts the support of financial institutions, and the reason is that the value chain is well coordinated with a well-defined market, extension service, input suppliers and farmer organizations. A similar model can be used to improve the performance of other value chains so that they may be attractive to financiers.

## **Session V: Malabo Declaration on African Agriculture and CAADP**

**Observation:** *The government of Swaziland like many other governments of African Nations has not kept the 10% budget allocation commitment made by the Heads of states. SNAU on behalf of farmers signed the CAADP compact together with stakeholders that include the*

*government. Is there any positive change that farmers can expect following the reviving of CAADP through the Malabo Declaration of June 2014?*

### **Comments and Recommendations**

- The implementation of the CAADP country processes has been very slow. Even though the agriculture is considered as the backbone of the country's economy, the consistent failure of the government to meet the 10% budget allocation to the sector does not qualify that agriculture is the backbone of the country. National budget allocation to agriculture:
  - 2009/10 - 9%
  - 2010/11 - 6%
  - 2013/14 - 4.2
  - 2014/15 - 3.5% (E541 M)
  - 2015/16 - 3.5% (E537 M)
- There is a need to improve agriculture investment and budget allocation to the agriculture sector. The contribution of agriculture to GDP is currently at 11%, and the economic growth of only 2%. The contribution to GDP of the agriculture sector can be expected to increase with an increase in agriculture investment. CAADP has an agricultural growth target of 6 per cent.
- Heads of States through the Malabo Declaration on African Agriculture and CAADP (June 2014), adopted commitments to (1) the principle and value of CAADP, (2) enhance investment finance in agriculture, (3) ending hunger, (4) halving poverty, (5) boosting intra-african trade in agricultural commodities and services, and (6) to mutual accountability to actions and results through CAADP Result Framework. For this commitments to hold true in Swaziland, there is need for collaborative actions of all stakeholders including the government and farmers.
- As a representative of farmers, SNAU should be involved during national annual budgeting.

- There is need to strengthen the institutional capacity of SNAU in order to improve effectiveness in her role as a lobbyist and advocate for the interests of farmers. Such capacities may include financial resources, intellectual capacities for leadership and staff, etc.
- The issue of climate change is impacting more on the agriculture sector than any other sector. Climate Smart Agriculture should be mainstreamed into core government policies and programmes, including expenditure and planning frameworks.

#### **D. WHO PARTICIPATED**

Stakeholders who participated in the annual conference include the following;

1. Minister of Agriculture
2. Southern African Confederation of Agricultural Unions SACAU
3. Principal Secretary (MoA)
4. Members of Parliament (2)
5. Agriculture Portfolio Committee
6. Microfinance Unit
7. COSPE
8. Sembulelo Sakotini Farmers Association (SESFA)
9. Manzini Regional Agricultural Union (MARAU)
10. Hhohho Regional Agricultural Union (HRAU)
11. Lubumbano Lwebalimi Belubombo
12. Shiselweni Regional Agricultural Union (SHIRAU)
13. National Maize Corporation (NMC)
14. Komati Downstream Development Project (KDDP)
15. NAMBoard
16. UNISWA Faculty of Agriculture
17. Swazi Bank Agribusiness Dept.
18. Swaziland Dairy Board

19. E- farm Traders
20. SWAFCU
21. FANRPAN-CANGO
22. National Curriculum Center (NCC)
23. Women Farmer Foundation
24. World Vision
25. Federation of Swazi Business Community (FESBC)
26. Swaziland Agricultural Development Programme (SADP)
27. Swaziland National Youth Council (SNYC)
28. SWADF
29. SNAU Consultants

**\*\*\*\*\*END OF REPORT\*\*\*\*\***