

To: the Netherlands Ministry of Foreign Affairs

Subject: Answers by IFDC to questions by the Ministry to craft a new foreign trade and development cooperation document.

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## Summary

IFDC is a nonprofit public international organization dedicated to efficient farm input value chains, soil fertility, crop productivity, commodity value chains, market information systems, and supportive policy on private sector development in the agricultural sector globally. It implements large programs for several development agents. In answering the questions, we have drawn on our 40+ years of experience in over 100 nations worldwide. We propose to prioritize development of the food system, add vocational training and entrepreneurship as a novel thematic area, redirect the emphasis from water infrastructure to water management for agriculture, leap frog development through the application of advanced technologies, cluster priority countries into regional development hubs and to actively involve policymakers in helping to creating enabling conditions in support of actors from private sector, NGO's and research involved in this endeavor.

We thank the Ministry for having given the opportunity to share our insights.

**Question 1: How can the Netherlands (the government, the private sector, social enterprises, civil society and knowledge institutions) achieve more results on the following themes: conflicts and instability, reception in the region and emergency aid?**

Stability, regional employment and independence from aid are broad outcomes from overall development. It is therefore essential to address the most fundamental and basic human needs as the starting point to build on and to pursue activities for long term development complemented with short actions for reduce most immediate insecurities. In most of the affected regions the Netherlands is targeting, agricultural development is the most important and, in some instances, only way out of poverty (according to the World Bank). The population of Africa will double by 2050 and a food and nutrition secure Africa will require agricultural production to triple. Also, we propose to leapfrog development; i.e. to utilize the most

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modern technologies and processes to jump ahead in development. The use of mobile phone is an excellent example in communication and financial services, while solar technology can prevent emission of GHG from fossil fuels and deliver other benefits like light for reading.

We therefore propose to emphasize the root causes and build food systems from the ground up; from input supply, production, processing, retail, logistics and consumer demand, and enabling services like policies, financing, infrastructure and legal rights. As such it comprises a larger part of the economy and labor pool. The Dutch knowledge institutions that can help to design climate smart, nutrition sensitive and sustainable food systems. Implementation of such systems can most effectively be achieved through coalitions of Dutch with international and local partners with complementary capabilities, and in public-private endeavors. Institutional capacity development of local partners and business entrepreneurs need to be integral component in these implementation frameworks for sustained development.

“Security and the rule of law” and “sexual and reproductive health and rights”, along with peace keeping in wider international context are important components to build social cohesion and curtail instability and conflicts.

We propose to add an educational priority area for vocational training on technical skills (among others on agro-technology, food and nutrition) and on entrepreneurship, which would continue to build on past policy achievements that improved basic levels of education.

### **Question 2: How can the Netherlands (the government, the private sector, social enterprises, civil society and knowledge institutions) best address population growth in Africa and stimulate youth employment in Africa and the Middle East?**

The priority theme sexual and reproductive health and rights, combined with the improved access of girls to basic education are essential component to control population growth and is being taken care of by the current policies. Complementary activities should target men to raise their awareness for most effective impacts.

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Creation of employment for the vastly growing youth population is a serious challenge for the mentioned regions. Whereas development of the food sector is a basic necessity, few are inclined to join the drudgery of food production, not only because of the poor image, but also because of real constraints that include: (too) hard work, no access to production factors like land and capital, poor knowledge or rather poor vocational training. These factors should be explicitly addressed to open up opportunities for job creation in the entire food system (see answer to question 1).

**Question 3: What new priority areas could the government identify? Resources are limited and we need to make choices. So we'd also like to ask: what priority areas could do with less attention?**

Our answer to question 1 presented a comprehensive view. Based on that we propose to emphasize agriculture and food sector development and to add a new priority area on vocational training. Where flooding of coastal zones jeopardizes large number of people in delta's like the Mekong or in Bangladesh, certainly so due to changing climate, large infrastructural development for water management is less relevant for the African continent. Rather, emphasis should be placed on (rain)water harvesting and other small-scale solutions (like rain water collections ponds) to make the most efficient use of the limited water resources. This approach also stabilizes the availability of water to agriculture and with that increases the resilience of the food system – also given anticipated changes in climate. The thematic area water can then be integrated in the food security.

A regional focus that forms regional development hubs (for trade, resilience, stability) might lead to a more effective grouping of fewer priority countries rather than geographically scattered countries with no mutual relations. This might bring more focus to and allow concentration of the limited resources.

**Question 4: What innovative solutions could the Dutch government, NGOs and the private sector promote with a view to 1) reducing CO2 emissions (climate mitigation) and 2) helping societies adapt to climate change (climate adaptation)?**

Agriculture is largest user of natural resources land, water and biodiversity, with great impact on the drivers for planetary change, including emissions of GHG. But it is also (adversely) affected by other

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sectors that contribute more significantly to climate change and jeopardizes the resilience, productivity and effectiveness of food systems.

In agriculture, resilient production systems integrate water harvesting with soil fertility measures and adapted seeds. Specific emphasis should be placed on maintaining or even improving the productivity of soils. These form the long-term production base but are currently being degraded (which result in emissions of GHGs), due to improper soil fertility management, including inadequate replenishment of nutrients and organic matter. Sustaining soil productivity will mitigate in-situ GHG emissions and prevent encroachment of natural lands and with that loss of GHG as well.

Stimulating the use of solar energy is likely to make a very large contribution to mitigate GHG emissions, inside and outside the food systems, when replacing fossil energy sources. The clean energy supplied would also stimulate development of the food value chain such as through (small scale) storage and processing of food.

**Question 5: In your opinion, what opportunities are there in the areas of manufacturing, trade and investment to achieve social progress (for example, better working conditions, higher wages, more opportunities for women and young people) or tackle ecological challenges (for example, in the areas of water, the climate and biodiversity)?**

Agriculture does not develop following a smooth path of improvement, but through relatively sudden mega steps driven by growing insights in ecology, technological innovations and societal change. Yet, these past mega steps in develop nations can be leapfrogged in nations in development. Utilization of advanced technologies – that may not necessarily be more expensive than past technologies – can greatly contribute to social and environmental progress. Experiences and capabilities of Netherlands and international institutions and private sector will be essential to jump these developments.

First is the identification and design of solutions in the ecologically sound and effective food system based on information from satellites, big data sources, close sensing diagnostic tools and the like. Second, is the implementation of utilization of advanced inputs, including smart fertilizers and improved seeds, applied through small scale equipment to reduce drudgery. These can be supplied through trading of

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manufacturing equipment, or local production /propagation/ assembly. As indicated in question 4, the use of solar and mobile technology can support value addition in the food system. Third, is the implementation of services for smooth trade, logistics and financing of the food system through mobile technologies. Finally, is the long-term engagement of the Dutch diamond actors in a developmental process to arrive at actionable and profitable steps that benefit participating actors. It should be realized though that such processes should be flexibly interpreted and tailored to local/national modes of operation, deviating from the typical Dutch approach.

Through our implementation programs, our experiences reveal that these comprehensive approaches allow us to reach millions in improving their social capital and in ecologically more efficient and sustainable systems. We can produce much more and higher quality with less, but tailored, inputs, reaching consumers at the base of the pyramid, and explicitly target women and youth.

### **Question 6: Do you have any concrete suggestions on how the government could help ensure that international trade and investments contribute to the achievement of the Sustainable Development Goals?**

Development is a long-term process, that needs to be supported by short term interventions in case of calamities. The Swiss Development Cooperation for instance sets out programs that last 10 to 12 years for this reason. The impact of more resilient and sustainable food systems cuts across several SDG's, with most prominent impact on SDG1, SDG2, SDG5 and SDG8.

### **Question 7: What innovative and creative solutions could the government use to better support the private sector and knowledge institutions that wish to market their knowledge and expertise globally? And in what areas?**

We elaborated already on the areas that ought to include the food system and vocational education. The government ought to facilitate multi-stakeholder processes with long term support. Apart from implementation activities, the actors can contribute to the development of the enabling conditions in the financial, technical and social terms. Yet, a significant improvement in implementation programs could be

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made through the active participation of policymakers in helping with the development of enabling policy environment in the target countries.

**Question 8: How could the government create a more comprehensive support package for companies, especially SMEs, interested in doing business internationally, and for which markets is an extra boost warranted?**

SME generally may not be able to reach out to millions, but united, the large body of (SME) knowledge centers, specialized (SME) producers of inputs and post-harvest equipment, implementing NGO's and (service) consultants, could provide most of the required components for development of the food systems and for vocational education. Yet, international and local actors will be needed to "assemble" the components for large scale impact. The government could support SME's to participate in large implementation programs.

**Question 9: In addition to the above, do you have any other recommendations in the area of foreign trade and development cooperation?**

The impact of funding through multilateral organizations, in particular the CGIAR in the context of food systems, could be improved substantially when associated with implementing NGO's, given the prime emphasis on research, but limited reach in practice.

Vice versa, current development NGO's may rely too heavily on societal sentiments in crafting their implementation activities which may lack a solid evidence-based. Closer linkages with science, or even partial integration of science in NGO's, may prevent unsustainable discourses in development.

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