



SUMMARY of VCBN- WEBINAR 4: “The role of the private sector and Public Private Partnerships (PPP) in mitigating impacts of the COVID19 pandemic and related economic downfall and in shaping path-ways for a more resilient agro-business sector in the future”

Date: 4th of June 2020

Moderated by:

- Ms. Maja Rüegg is co-head of the working area Sustainable and Inclusive Economies at Helvetas
- Mr. Md. Rubaiyath Sarwar, Managing Director Innovision Consulting Private Limited and Chairperson VCB-N

Resource persons sharing different perspectives:

- Ms. Esther Wintraecken, Country Manager Fresh Studio
- Mr. Shahid Tarer is the CEO of Galaxy Rice Mill (pvt) Ltd.
- Dr Shatadru Chattopadhyay, Managing Director of Solidaridad Asia
- Mr. Nicolas Syed, IFAD Programme Officer Sub-regional Hub for South-East Asia and the Pacific
- Mr. Melchior Lengsfeld, Executive Director Helvetas

(Biographies at the end of this document)

Resource Persons:



Ms. Maja Rüegg,
Head Sustainable and
Inclusive Economies,
Helvetas



Mr. Shahid Tarer,
CEO of Galaxy Rice Mill
(pvt) Ltd



Ms. Esther Wintraecken,
Country Manager of
Fresh Studio



Mr. Nicolas Syed,
IFAD Programme Officer
Sub-regional Hub for
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Pacific



Dr Shatadru Chattopadhyay,
Managing Director of
Solidaridad Asia



Mr. Melchior Lengsfeld,
Executive Director
Helvetas



Mr. Md. Rubaiyath Sarwar,
Managing Director
Innovision Consulting
Private Limited and
Chairperson VCB-N

LEARNINGS & INSIGHTS

Ms. Esther Wintraecken, Fresh Studio, Myanmar

- The COVID-19 crisis has affected the agricultural sector deeply and disrupted value chains at various levels, from restrained production, access to services to changing consumer needs and demands.
- Fresh Studio Myanmar is involved in the poultry sector looking at the entire chain, from feed production, hatcheries to access to markets (through a Public Private Partnership), horticulture / vegetables and aquaculture. Although at different levels the COVID-19 crisis did affect all sectors.
- Due to a night curfew particularly perishable products that have to reach markets in early hours, faced challenges in reaching markets at all.
- One can distinguish different phases in the impact of the crisis:
 - from early fear for infection causing traders not to pick up produce,
 - agricultural workers not to appear and
 - consumers to avoid markets
 - to impact caused by restrictions due to established lock-downs,
 - curfews or road-blocks and changes caused by logistical and institutional disruptions in the chains and
 - lastly by the reduced investing capacity of chain actors, particularly farmers, hampering investments in the new cropping cycle.
- The crisis has however also triggered positive processes like:
 - the boost in the use of ICT and
 - a renewed appreciation for food safety
 - and a re-found appreciation for locally sourced food among consumers.
- The “new normal” in post COVID-19 times will not be entirely new but built upon aspects and efforts from pre- COVID-19 era like chain efficiency due to leaner value chains.
- The crisis triggered the introduction of measures that increase efficiency like “quick tests” for chemical residues or the operation of central distribution centres (DCs) with direct linkages to urban retail hubs.
- Consumer needs and demands have changed in favour of food safety and locally sourced (thus traceable and trustworthy) food, fostering more direct linkages between producers and consumers partly through the use of ICT means.
- The crisis has emphasized the need to engage markets and market players in all aspects including policy making.
- Resilience, also on farm / farmer level comes with knowing your business which requires access to necessary farm level data (volumes, prices, cost-benefits, market demands etc.).
- Capacity building of producers, not the least in acquiring necessary entrepreneurial skills, is crucial in thinking about the future of the sector and increasing resilience.
- New ICT channels but also old fashioned mass communication means like radio, have proven to be essential in reaching out to farmers, continuing information flows and capacity building efforts during the crisis and most likely will remain strategic channels in the post COVID-19 era.

Mr. Shahid Tarer, Galaxy Rice Mill, Pakistan

- The rice value chain, as a staple crop, has its own market and strategic policy characteristics. Panic purchases in the early hours of the pandemic increased stock shortages and ability to meet demands. Other aspects like the Ramadan, with a temporarily peak in demand, complicated the satisfying of demands further.
- Engaging in export oriented certified produce requires access to multiple external services, like external quality checks, which were heavily disrupted. This fostered further digitalization of services channels and processes even for certification / accreditation.
- Food dependency for staples is a strategic thus political issue and initially declared bans of cross-border rice trade urged the private sector to (successfully) advocate for continuous import/export trade relations.
- The advocacy efforts also led to an exchange of data and information between the private and public sector and through this to enhanced mutual understanding.
- The COVID-19 crisis turned from a health into a humanitarian crisis, particularly for the millions of households depending on daily wages in the informal sector, and the private sector played its role in delivering direct (food) aid to those in need.
- In coping with the crisis, investing in self-help ability, thus the organisational and technical capacity levels of farmers has been key.
- Understanding the farmer and farm level economics is key to farmers coping capacity and future resilience. This requires the collection, analysis and insight/understanding of farm level data (incl. historical data).
- The availability of such farm level data could serve other purposes for example access to financial services as farm data provide valuable information to financial service providers. In assuring broader access to financial services the increased access to data plus the further application of ICT tools should go hand-in-hand.
- The crisis has caused a broad awareness among the general public about the importance of food security and the related importance of (local) food production. Envisaging the “new normal” in agriculture envisages a greener and more transparent and localized agricultural sector.
- Globalisation will no longer be a given but has to be justified. The new normal will see diversification in product ranges and markets with a stronger emphasis on local markets, simplified and shorter supply chains and above all closer collaboration and partnerships that include producers as well as consumers.
- The government had and has an important role to play; their central leading role through the National Command Centre has proven to be of value to assure oversight and consistency in policy responses and measures (and feed-back on their impacts). Particularly in times of crisis centralized lead & oversight is valuable.

Mr. Shatadru Chattopadhyay, Solidaridad Asia

- The COVID-19 crisis has severely disrupted the livelihood of millions of farmers and workers in Bangladesh. A survey done in collaboration with PWC estimates that 2-4 million farmers will slide back into poverty. For workers non-farm workers like in the garment industry, figures are most likely to be even worse.
 - In general the over-emphasis on job creation without sufficient attention to actual levels of income or job security is counterproductive as it depicts false figures in terms of secured livelihoods and poverty.
 - Globalization causes dependency, for example as the garment industry collapsed it caused 25,000 Chinese cotton farmers to get their orders cancelled and lose their income.
 - Farmers and wage workers being at the losing end of an economic downturn or crisis is not a
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new phenomenon and increasingly, over the last two decades, has become a mainstream reality. The “less for more” paradigm dictating globalized markets has created jobs but hardly reduced poverty.

- The current crisis is further evolving day-by-day and responses have to continuously adapt to the new realities, making any clear-cut or blue print approaches fiction. The outcome of this is still largely open-ended.
- So far we have witnessed that farmers in Bangladesh and elsewhere are more resilient than we anticipated, experiencing the unpredictability of nature and increasingly frequent natural disasters has made farmers develop internal support systems built on mutual collaboration and solidarity. Again, during this crisis, we witnessed farmers accessing inputs, and finance or solving labour shortages through collective efforts.
- The crisis has also strongly emphasized the importance of food safety and the need to develop general food safety frameworks in response to the demands of the consumer markets. Such a framework should be a collaborative and participatory effort including producers, legislators, private sector and consumers and be fostering safe production and handling, transparency and fairness along the chain, besides sustainability aspects.
- There exists a broad consensus that the “new” liberalism has not delivered on its promises during the last 2 decades, particularly regarding poverty alleviation. Civil Society and also the Private sector have to take up a mediating role between the government and society, in shaping the sector for the coming decade(s).
- Also globalization and global sourcing has proven its weaknesses and is largely criticized (from left as well as right wing politicians) and a new balance between globalization and localization has to be found.
- The concept of sustainability has to be re-invented as the old concept, in which external certification and accreditation very much stood for sustainability, is no longer valid and a dead-end road.
 - More innovative schemes based upon joint ownership through shares also at producer level could be a way ahead. Making producers share-holders in retail ventures is already piloted, for example by John Lewis, UK.
- Consumer preferences have quickly shifted from a priority for foreign / imported foods to local foods. This will lead to localization of food systems which again facilitates simplification of chain operations.
- The rat race of “more with less” urging for continuous need to increase production and efficiency seems to have lost its glamour and new concept based upon sustainability principles like circularity are gaining momentum and are moving from being niche to mainstream.
- The agribusiness sector will further digitalize which has many advantages particularly in terms of accessibility yet some challenges are still to be tackled particularly with regards to safety of data. In particular, farmers are vulnerable if large scale companies’ access farm level data, which increases the information and thus power divide. Governance structure safeguarding safe and fair use of agro-data should be developed.

Mr. Nicolas Syed, IFAD PNG

- The private sector has played a pro-active and crucial role in developing immediate relief operations, coping mechanisms and now restoration efforts. In many instances the private sector took the initiative and others like government joint in, in other instances when government initiated responses the private sector moved along. Few of such collaborative efforts took place in the formal setting of PPP programs but evolved organically. PPP programs and formalized PPP efforts should carefully analyse these spontaneous PPPs and learn from
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these.

Mr. Melchior Lengveld, Helvetas Bern (concluding remarks)

- The impact of the COVID-19 crisis on the agricultural sector has been broad and profound not only disrupting logistics but the entire institutional fabric of food systems.
 - While the immediate response of the public sector was (and to large extent still is) very much health focussed (safe lives), the private sector responded very much with an economic perspective (safe livelihoods).
 - The right balance between health - (safe lives) and economy – (save livelihoods) is difficult to calibrate and multiple interests as well as time dimensions (short versus long term) play a role.
 - Cases presented confirm that collaboration and partnerships are key and that in cases where partnerships between public sector and private sector matured before the crisis did show significant more resilience in terms of being able to cope with the impacts of the crisis.
 - Cases presented also confirm the growing importance of data availability (and links to, for example, the financial sector) and ICT in agro-business, but also urge for mechanisms to protect data and avoid misuse.
 - Enhancing future food safety and food security cannot be reached in isolation and requires effective partnerships between all sectors and stakeholders.
 - Diversification, at all levels from farms to destination markets, is an effective strategy to increase resilience.
 - Government projects have surely contributed to buffer shocks created by the pandemic, yet the major resilience factor and buffer was found internally at local levels through collaboration and solidarity mechanisms between farmers and other local level actors.
 - Continuous learning and innovation have shown to be crucial during the crisis and will be crucial to shape the post- COVID-19 landscape. Data collection and analysis during and after the crisis have to inform the shaping of new directions while strong partnerships and collaboration have to realize those visions for a renewed more resilient and sustainable agricultural sector.
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POLICY CONSIDERATIONS

The fourth VCB-N Webinar on the impact of the COVID-19 crises on “The role of the private sector and Public Private Partnerships (PPP) in mitigating impacts of the COVID19 pandemic and related economic downfall and in shaping path-ways for a more resilient agro-business sector in the future”;

- i. The COVID-19 crisis has evolved in different phases and so has the impact of the crisis from early fears for infection causing traders not to pick up produce, agricultural workers not to appear and consumers to avoid markets, to impact caused by restrictions due to established lock-downs, curfews or road-blocks and changes caused by logistical and institutional disruptions in the chains and lastly by the reduced investing capacity of chain actors, particularly farmers, hampering investments in the new cropping cycle. The current crisis is still evolving day-by-day and responses have to continuously adapt to the new realities, making any clear-cut or blue print approaches fiction. The outcome of this is still largely open-ended.
- ii. The “new normal” in post COVID-19 times will not be entirely new but built upon aspects and efforts from pre- COVID-19 era like chain efficiency due to leaner value chains. The crisis

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- triggered the introduction of measures that increase efficiency like “quick tests” for chemical residues or the operation of central distribution centres (DCs) with direct linkages to urban retail hubs.
- iii. Consumer needs and demands have changed in favour of food safety and locally sourced (and thus traceable and trustworthy) food, fostering more direct linkages between producers and consumers partly through the use of ICT means.
 - iv. Food dependency for staples is a strategic and thus political issue and restricting cross-border movements directly affects food security of import depending countries. As a reaction the concept of food sovereignty is regaining popularity among policy makers as well as consumers, as a countervailing argument to ever increasing global dependencies. Globalisation will no longer be a given but has to be justified.
 - v. In coping with the crisis, investing in self-help ability, thus the organisational and technical capacity levels of farmers has been key. Understanding farm level economics is key to farmers coping capacity and future resilience. This requires collection (incl. historical data), analysis and insight/understanding of farm level data.
 - vi. The availability of farm level data could serve other purposes for example access to financial services as farm data provide valuable information to financial service providers. In assuring broader access to financial services the increased access to data plus the further application of ICT tools should go hand-in-hand.
 - vii. The “less for more” paradigm dictated by liberal policies and ruling globalized markets has created jobs but hardly reduced poverty and largely failed to meet the hopes and expectations of the poor.
 - viii. Farmers have shown to be more resilient than we anticipated; experiencing the unpredictability of nature and increasingly frequent natural disasters has made farmers develop internal support systems built on mutual collaboration and solidarity. Again, during this crisis, we witnessed farmers accessing inputs, and finance or solving labour shortages through collective efforts. Government policies and action have surely contributed to buffer and mitigate the impact of the crisis yet local coping mechanisms based on collective action, solidarity and collaboration between farmers and other local actors has been the back-bone of coping strategies during this crisis and will be the back-bone of future resilience strategies.
 - ix. The crisis has also strongly emphasized the importance of food safety and the need to develop general food safety frameworks in response to the demands of the consumer markets. Such a framework should be a collaborative and participatory effort including producers, legislators, private sector and consumers and be fostering safe production and handling, transparency and fairness along the chain, besides sustainability aspects.
 - x. In general the over-emphasis on job creation without sufficient attention to actual levels of income or job security is counterproductive as it depicts false figures in terms of secured livelihoods and poverty.
 - xi. Also globalization and global sourcing has proven its weaknesses and is largely criticized (from left as well as right wing politicians) and a new balance between globalization and localization has to be found.
 - xii. The concept of sustainability has to be re-invented as the old concept in which external certification and accreditation very much stood for sustainability is no longer valid and a dead-end road. More innovative schemes based upon joint ownership through shares also at producer level could be a way ahead.
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- xiii. The rat race of “more with less” urging for continuous needs to increase production and efficiency seems to face its limits and new concepts based upon sustainability principles like circularity are gaining momentum and are moving from being niche to main stream.
 - xiv. The increasing digitalization of the agribusiness sector will require governance mechanisms and safety structures that protect data from being mis-used in which particularly farmers are vulnerable for exploitation or wrong use of data.
 - xv. Restrictions in the movement of food have urged consumers to re-discover local foods. In PNG local foods are back on the menu replacing imported foods which once substituted them and as a result back into the farmer fields.
 - xvi. While the immediate response of the public sector was (and to large extent still is) very much health focussed (safe lives), the private sector responded very much with an economic perspective (safe livelihoods). The right balance between health - (safe lives) and economy – (save livelihoods) is difficult to calibrate and multiple interests as well as time dimensions (short versus long term) play a role.
 - xvii. The return of many young people, fleeing the cities, creates possibly new opportunities at rural level. New energy, capacities and élan of the youth, coupled with entrepreneurship and farming as a business attitude, could open up new opportunities.
 - xviii. Continuous learning and innovation has been crucial in coping with the consequences of the crisis and will remain crucial to shape the post-COVID-19 landscape. Data collection and analysis will have to inform the shaping of new directions while strong partnerships and collaboration have to realize those visions for a renewed more resilient and sustainable agricultural sector.

THANK YOU

BIOGRAPHIES RESOURCE PERSONS



Mr. Md. Rubaiyath Sarwar, Managing Director Innovision Consulting Private Limited and Chairperson VCB-N

Md. Rubaiyath Sarwar is a specialist in design, management and evaluation of market driven solutions to poverty challenges. His works builds on the premise that the multidimensional challenges of poverty can be tackled more sustainably through collaborative and mutually reinforcing commercial and social benefits among the private sector, NGOs and the government agencies. He is the co-founder and Managing Director of Innovision Consulting, an international consultancy with its bases in Dhaka, Bangladesh and London, United Kingdom. Over the last 16 years, Rubaiyath has worked for major DFID, USAID, SDC, EU, GIZ, IFAD projects in Bangladesh, India, Indonesia, Mozambique, Myanmar, Nigeria, Philippines,

Somalia, SriLanka and Yemen on solving growth, employment, and inclusiveness challenges in agriculture, health, industries, finance, water, sanitation, hygiene and nutrition sectors.

Rubaiyath is serving as the Chairman of the Value Chain Capacity Building Network (VCB-N) for The Asia and the Pacific Region. VCB-N is founded with grant from International Fund for Agricultural Development (IFAD) to build a regional resource pool of experts for value chains and market systems development projects. Rubaiyath founded Desperately Seeking Development Expert (DSDE) which is the largest platform of development professionals in Bangladesh. With over 13,000 members, DSDE plays an influential role in ideation, research, placement, discussion, dialogue and advocacy on development agenda in Bangladesh. Rubaiyath also founded D2, a data analytics company for development research and Baggitude, an online retail channel for trendy bags that are primarily made of sustainable materials. Rubaiyath is completed his BBA and MBA from the Institute of Business Administration (IBA), University of Dhaka. Rubaiyath is an Acumen fellow from Bangladesh.



Ms. Maja Rüegg is co-head of the working area Sustainable and Inclusive Economies at Helvetas

Maja Rüegg is co-head of the working area Sustainable and Inclusive Economies at Helvetas. She provides thematic support on market systems development for projects working on agricultural value chains and labour markets, including private sector and financial sector development aspects. Her advisory expertise also covers monitoring and evaluation (M&E). Previous to her current position, Maja worked in rural development projects in Tanzania and Madagascar. She has also done research in Kyrgyzstan and Bolivia on topics related to rural economy. She holds a MSc in Development Studies (LSE) and an MA in International Relations (University of Geneva) and

has worked in development cooperation since 2008.



Ms. Esther Wintraecken, Country Manager Fresh Studio

Esther Wintraecken is the Myanmar country manager of Fresh Studio. Founded in Vietnam in 2006, Fresh Studio is the premier consultancy in the development and marketing of high value agriculture products in Southeast Asia. Esther has led Fresh Studio's expansion in Myanmar for the past 4 years. She diversified the portfolio into assignments touching all steps of the value chain in the horticulture, livestock and aquaculture sector. Furthermore, she set up the agro-business advocacy group of Eurocham in Myanmar together with De Heus and chaired this position for 2 years.



Mr. Shahid Tarer is the CEO of Galaxy Rice Mill (pvt) Ltd.

Shahid Tarer is the CEO of Galaxy Rice Mill (pvt) Ltd. Galaxy rice is located in Northern Punjab, the heart of the Basmati growing region. It has been exporting Basmati rice mainly to Europe for the last 18 years. Its customers are millers who pack own brands as well supplying to large retailers. Galaxy Rice works very closely with local farmers. It is also in a water productivity program with Helvetas and Westmill foods UK to grow Sustainable rice with SRP standards. Shahid Tarer is also a director in Punjab Industrial Estates Development Company, which is a Government company that builds industrial estates. He is also in the Prime Minister's steering committee for improving rice productivity, as well as a founding member and the convener of the Pakistan Basmati Heritage foundation.



Dr Shatadru Chattopadhyay, Managing Director of Solidaridad Asia

Dr Shatadru Chattopadhyay is a doctorate in International Economics with specialisation in the tea industry. He has been working in the field of sustainable supply chain management, sustainable landscapes and corporate responsibility for the last 2 decades. Shatadru has founded or co-founded seven international and country-specific sustainability standards in agro-commodities and industrial minerals. He is the founding Managing Director of Solidaridad Asia and currently supervises 440 sustainability experts operating from 37 offices in 9 countries across Asia.



Mr. Nicolas Syed, IFAD Programme Officer Sub-regional Hub for South-East Asia and the Pacific

Nicolas Syed is a development and humanitarian professional currently working as the Programme Officer in IFAD's Sub-regional Hub for South-East Asia and the Pacific, where he covers projects in Indonesia and Papua New Guinea. Prior to moving to the sub-regional office in Jakarta, Nicolas worked as the Country Programme Officer in Bangladesh and as the project manager for the Support to Farmers' Organisations in Africa Programme.



Mr. Melchior Lengsfeld, Executive Director Helvetas

Mr. Melchior Lengsfeld (lic. phil., MAS ETH Development and Cooperation) chairs the management board of Helvetas since 2005. Earlier, he has worked in different functions in India, Mozambique and Mali on a broad array of topics. Melchior has been a driving force in the merger between Helvetas and Intercooperation in 2011, an initiator for the launch of Helvetas Germany GmbH as well as founder and chair of Helvetas USA. Melchior is member of the board of Alliance Sud as well as member and incoming Chair of the Executive Board of Alliance2015. Convinced that sustainability starts with ourselves, he has been a long-standing member of the Board and Vice-President of the Max Havelaar Foundation Switzerland, and served until 2018 on the Board of Fairtrade

International.