



Collaborations and synergies for sustaining the implementation of SWITCH-Asia Programme for a more impactful #WeSwitch focused on:

VALUE CHAIN APPROACHES IN THE AGRI-FOOD SYSTEMS: SUPPORTING THE GREEN RECOVERY AND SUSTAINABLE FOOD SYSTEM TRANSITION



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CONTEXT

The agri-food systems (AFS) are facing multiple and interlinked challenges, such as climate change and biodiversity loss, resource scarcity and food loss and waste generation along the supply chain. Globally, about 30% of all food that is produced is wasted.

The Agenda 2030 and the Sustainable Development Goals recognised this global challenge and governments have adopted its Target 12.3 of halving food waste at retail and consumer level and reducing food loss across the supply chain. The UN Food System Summit later this year is expected to maximize the co-benefits of a food systems approach across the entire 2030 Agenda and meeting the challenges of climate change. The EU Farm-to-Fork Strategy was launched to address comprehensively the challenges of sustainable food systems. It recognises the inextricable links between healthy people, healthy societies and a healthy planet and highlights that the EU will support the global transition to sustainable food systems.

The AFS's role is pivotal in driving economic recovery, creating employment, household wellbeing and it is an economic powerhouse, making a main contribution to total economic output.

Asian countries have a range of specific challenges, including the diversity of countries, levels of economic development, regulatory systems and currencies. Asian farms are also typically smaller than their American or European counterparts, with significantly lower capacity and capability for investment in technologies. MSMEs are the backbone of the agri-food sector and in addition to constituting a significant part of the economy, they have a critical role to play in addressing a number of the United Nations Sustainable Development Goals adopted in 2015, particularly those related to hunger and poverty reduction.

According to the report released by Oxford Economics (March 2021), findings show that in 2019 the agri-food sector in **Southeast Asia** made a GDP contribution of US\$717 billion across Indonesia, Thailand, the Philippines, and Vietnam, and marked a 30 percent increase from 2015. The report says the sector is also responsible for almost half (48 percent) of the entire workforce with 127 million jobs and contributed a total of US\$95.6 billion in tax revenues across the region.

In **South Asia** agriculture is of equally high importance to the economy and society. Indian agriculture is dominated by small farmers and it nears 20% of GDP. The large majority of its rural households' livelihoods are dependent on agriculture. Rice, milk

and grains are among its most important products. Similarly, agriculture in Pakistan contributes close to 20% to its GDP and with more than 20 Million workers employs more than 35% of its labour force, with its main produce being wheat, sugarcane and cotton. The diversity of other South Asian countries in terms of climate, technology level, and agricultural production is stark, yet in all of South Asia, agriculture is a key economic sector.

The five Central Asian countries are highly agrarian, with 60% of the population living in rural areas and agriculture accounting for over 45% of total number of employed and nearly 25% of GDP on average. Major crops in Central Asia are rice and wheat. More than 80% of arable land in Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan is irrigated, and only Kazakhstan, with its wheat-based crop production, irrigates only 7% of its arable land and it planned to be significantly increased until 2030.

Cotton mono-culture during the Soviet period exhausted the soil and led to serious plant diseases. The region produces a wide variety of products which include barley, corn, flax, grapes, potatoes, rice, sugar beets, sunflowers, tobacco, apricots, pears, plums, apples, cherries, pomegranates, melons, dates, figs, sesame, pistachios, and nuts.

While the agri-food sector remained somewhat resilient in the face of COVID-19, the pandemic's lingering impact has left a mixed outlook for the sector, which varies depending on the country. The Oxford Economics report indicates that Indonesia faces the greatest risk to recovery, while the Philippines and Thailand also showed important vulnerabilities due to their dependence on tourism to revive their food industries.

The impact on food spending in the coming couple of years will be greater than elsewhere, and the increase in barriers to food trade may represent an additional concern. In Philippines the high share of tourism in GDP and fiscal risks are key concerns. The Economic Recovery Matrix examines demand and supply side recovery factors for the sector, as the battle to contain and recover from the COVID-19 pandemic continues. Meanwhile, farmers' protests in India have brought attention to the regulatory system and markets that shape the agri-food sector, and often are in favour of large agriculture operations.

SWITCH-ASIA TECHNICAL ASSISTANCE TO COUNTRIES AND GRANTS ON AGRIFOOD

Examining the adoption of SCP tools and circular economy (CE) approach/models has increased and become urgent to create a closed-loop agri-food system.

In this context, objectives such as the reduction of waste, conservation of natural capital, biodiversity and eco-systemic services, reduction of land use and improvement of soil quality are fundamental for the realisation of the "decoupling" of environmental degradation from economic development. Thus, considering the protection of natural resources and the quality of

Value Chain approaches in agri-food systems

It should be noted that food systems exist within each country and region of the world and are diverse in their composition and functioning based on whether the local food system is traditional or modern, or 'intermediate', which is a mix of the two and makes up the majority of food systems. It is a holistic approach for all of actors and processes.

While the natural resource use and environmental impacts takes place at the primary production stage, primary producers have a limited ability to shape food systems and change their production practice.

The actors along the middle stages of the food value chain, although do not use the most resources themselves they have a huge impact on the activities along the value chain. This stage of the value chain, comprising food companies across processing and packaging, retail and food services, is structurally powerful and has a disproportionate influence across both primary production and final consumption and to a large degree shapes both what food farmers produce and sell and what food consumers buy and eat.

Agri-food Value Chains are designed to increase competitive advantage through collaboration with producers, processors, marketers, food service companies, retailers and supporting groups such as shippers, research groups and suppliers. A Value Chain can be defined as a strategic partnership among inter-dependent businesses that collaborate to progressively create value for the final consumer resulting in a collective competitive advantage.

Based on that understanding, the benefits of the value-chain approach related to defining action on SCP in agri-food sector. Opportunities are raised on ongoing initiatives at the food processing, retail and food services – in particular through circular economy approaches, the sustainable tourism, sustainable public procurement and eco-labeling, consumer information programmes.

human health are essential aspects of economic development itself.

The EU SWITCH-Asia Programme provides the platform for partnerships and networks in between Europe and Asia for the implementation of national strategies and action plans and implementation of SCP practices. With the assistance of the European Commission, Asian countries are supported to transition towards a low-carbon, resource-efficient and a more circular economy.

SWITCH-Asia is currently providing Technical Assistance focused on agri-food to the following countries:

COUNTRY PROJECT TITLE	OBJECTIVES
SOUTHEAST ASIA	
VIETNAM "Enhancing SCP in Seafood Sector" (2020-2021) Developing SCP labelling and certification schemes next to supporting the consumer awareness raising campaigns in the supermarkets about sustainable food consumption	<ul style="list-style-type: none"> Assess the current status of the seafood sector in Vietnam in terms of SCP practices in the value chain including fish farms (wild-caught and farm-raised), collectors, distributors, retailers/supermarkets and customers, the current application of eco-labelling and certification schemes for producers, retailers/customers, green packaging and potential partnerships to enhance Sustainable Seafood Consumption and Production (SSCP) in Vietnam; Develop guideline on SSCP for retailers/supermarkets focusing on eco-labelling and certification schemes for SCP, SCP seafood supply chain, SSCP categories, SSCP policies and procedures, and stakeholder engagement with suppliers, customers, and other relevant stakeholders. Organise expert consultation workshop to prepare the training materials on SCP and conduct training workshops; Support the consumer awareness raising campaigns in the supermarkets about sustainable food consumption.
CENTRAL ASIA	
KYRGYZSTAN "SCP tools and circular economy approach in agri-food sector" (2020-2021)	<ul style="list-style-type: none"> Mapping of domestic products, supply chain/ value chain, eco-labelling schemes, green standards/ certification systems for production of organic products; Prepare a guidelines for further greening the agri-food supply chain, in support of SMEs for improved resource efficiency and provide training for SMEs together with related SWITCH-Asia grant project(s) Organise a workshop for SMEs together with concerned Grant Project(s)
KAZAKHSTAN "Management of food/biodegradable waste" (2021-2022) Implementation of SCP tools and circular economy approaches in the field of food/ biodegradable waste management and suggesting options for the efficient management food and biodegradable wastes	<ul style="list-style-type: none"> Propose options on how to manage food/biodegradable waste in Kazakhstan making the best use of the recent European "Circular Economy Action Plan" and " Farm to Fork Strategy" Promote innovations that apply a circular economy approach for food/ biodegradable waste prevention and management, including circularity in sustainable products Organise of an on-line consultation with all interested parties, experts, target groups to discuss findings and economic instruments including state support in the field of waste management
TAJIKISTAN "Elaborate a NAP on responsible consumption and sustainable lifestyle, in support to Circular Economy delivery, with focus in the agri-food sector" (2021-2022)	<ul style="list-style-type: none"> Foster implementation of sustainable consumption tools in support to circular economy delivery in the agri-food sector Prepare a comprehensive mapping of the various stakeholders, consumers, retailers, farmers, NGOs and their roles in improving the situation to change production, processing, distribution and consumption patterns, including educating/preventing wastes Organise two awareness raising events for selected group of schools and retailers, including delivery of calculation footprint to illustrate Greenhouse Gas (GHG) emissions reductions and enhancing responsible consumption patterns

The following ongoing SWITCH-Asia Grant Projects aim to achieve the following objectives focused on agri-food:

CURRENT GRANT PROJECTS	OBJECTIVES
SOUTHEAST ASIA	
CAMBODIA SWITCH to Solar 2020- 2024 <i>People in Need</i>	The project will promote sustainable consumption patterns in the Cambodian agri-fishery sector with a focus on agro-processing by encouraging Micro, Small and Medium Enterprises (MSMEs) to adopt Sustainable Consumption Practices, through increased access to solar solutions; and fostering replication through demonstration and access to finance. Awareness raising on SCPs will also be promoted, policy dialogues will be organised, line ministries will be involved in SCP demonstrations and interactions between MSMEs and financial intermediaries will be supported

CURRENT GRANT PROJECTS	OBJECTIVES
<p>INDONESIA</p> <p>Local Harvest 2018- 2022</p> <p><i>HiVOS Southeast Asia</i></p>	<p>The Project's main objective is to contribute to economic prosperity and poverty reduction in Indonesia by promoting a switch to sustainable consumption and production of green, healthy, fair and local food by consumers and MSMEs</p>
<p>INDONESIA</p> <p>MATA KAIL 2018- 2021</p> <p><i>Plan International</i></p>	<p>Small and Medium-sized Enterprises (SMEs) and Micro, Small and Medium-sized Enterprises (MSMEs) will be empowered to provide environmentally friendly and sustainable processes, products and services in the fisheries sector which will promote employment opportunities for marginalised youth, particularly young women. Knowledge, skills and attitudes of parents and caregivers will also be increased, particularly those of young women.</p>
<p>MYANMAR</p> <p>Tha Bar Wa 2018- 2022</p> <p><i>WWF - Myanmar</i></p>	<p>Tha Bar Wa project aims to promote cleaner production practices in small and medium-sized enterprises (SMEs) in the Food and Beverage industry. It strives to create an enabling environment by providing technical knowledge and skills, facilitating access to finance and advocating for policies that incentivise sustainable water and energy management practices. The project will organise industries to build their technical understanding and facilitate access to finance and technology to adopt cleaner production practices. The project will also leverage replication tools to ensure tangible, on the ground, positive impact on the natural environment.</p>
<p>THAILAND</p> <p>Dear Consumers 2018- 2021</p> <p><i>OXFAM</i></p>	<ul style="list-style-type: none"> • An overall food market transformation in Thailand that requires environmentally sustainable and socially ethical production and food safety as standards of production • Urban consumers and retailers in Thailand drive the development of a food market system that increases sustainable food consumption, particularly in the seafood, banana and chicken chains
<p>VIETNAM</p> <p>Biomass Gasification Technology (BEST) 2020- 2024</p> <p><i>OXFAM</i></p>	<p>The project aims to promote sustainable production and sustainable energy consumption among agri-food processing micro and small enterprises (agri-MSEs) and also to contribute to waste management in Vietnam, by scaling up the deployment of environmentally friendly and low-cost volumetric continuous biomass gasification (VCBG) technology. The VCBG has been piloted with success in Thai Nguyen province since 2017 by Oxfam in Vietnam and the Centre for Creativity and Sustainability (CCS). Beyond merely introducing the technology to local agri-MSEs, the project will develop the whole ecosystem for VCBG deployment among thousands of agri-MSEs in the four Northwest mountainous provinces of Thai Nguyen, Son La, Tuyen Quang and Yen Bai, including the promotion of low-cost and high-quality VCBG to thousands of agri-MSEs, development of local mechanical and biomass service systems, and advocacy for further replication to other industries, other regions in Vietnam and through national policies and mechanisms.</p>
<p>VIETNAM</p> <p>Promotion of supply and demand of Eco-Fair Agri-food processing products in Vietnam 2020- 2023</p> <p><i>Vietnam Rural Industries Research and Development Institute</i></p>	<p>The project addresses sustainable supply chain management with a focus on green trade and facilitating the integration of MSMEs into supply chains. It will support sustainable consumption and consumer awareness on SCP, and will build the capacity of eco-fair MSMEs, creating an enabling environment to strengthen the implementation of national SCP policies. More specifically, the project will:</p> <ul style="list-style-type: none"> • Enhance the capacity of MSMEs to implement sustainable production and product innovation practices in the agri-food supply chain; • Raise awareness of a large consumer group about sustainable consumption behaviours and build a network to promote the eco-fair label; • Use a sustainable E-platform to build an eco-fair retailer network; • Enhance the capacity of eco-fair MSMEs to access financing; • Support policy development on eco-fair production and consumption in Asia
SOUTH ASIA	
<p>INDIA</p> <p>Bhoomi Ka 2018- 2021</p> <p><i>Deutsche Welthungerhilfe e.V.</i></p>	<p>The project aims at promoting sustainable local food systems that safeguard public and environmental health and promote sustainable smallholder agriculture. Activities include</p> <ul style="list-style-type: none"> • Support farms of small local producers on the cultivation of chemical-free food, favouring biodiversity and reducing the environmental impact of the crop; • Promote consumer awareness on organic and local foods; • Work with retailers, brands, and producer collectives to improve business cases, value chains and thereby market access for locally produced organic foods; • Work with policy-makers to create enabling environment for local organic foods.

CURRENT GRANT PROJECTS	OBJECTIVES
<p>INDIA</p> <p>Promote Bamboo MSME Clusters for Sustainable Development 2018- 2021</p> <p><i>Foundation for MSME Clusters (FMC)</i></p>	<p>The project promotes bamboo as a sustainable resource and generator of green jobs. This enables local communities and other stakeholders to collaborate of a green economy, sustainable growth, economic prosperity and poverty reduction in India along with mitigation of climate change.</p> <ul style="list-style-type: none"> • Enable artisans to develop diverse bamboo-based products; • Work with multipliers, including producer networks, on strengthening business capacities of artisans and SMEs; • Cooperate with financial institutions so that they can provide targeted financing for scale-up of business operations, and supplement seasonal revenues; • Coordinate with policy-makers for creating an enabling environment and support replication of business models and other project activities
<p>PAKISTAN</p> <p>IREET - Implementation of Resource and Energy Efficient Technologies in the Sugar Sector of Pakistan 2018- 2022</p> <p><i>Iqbal Hamid Trust (IHT)</i></p>	<p>The project promotes energy efficiency and resource efficiency technologies in the sugar mill sector, including renewable sugar mill waste ("bagasse").</p> <ul style="list-style-type: none"> • Develop and implement business cases with sugar mills for improving energy and resource efficiency; • Build capacity of service providers on standardization of efficiency processes and provide support to auditors for energy and resource efficiency; • Enabling access to finance by working with financial institutions on fitting financial offers; • Advocacy with public sector authorities to create a conducive regulatory regime for the promotion of energy efficiency and resource efficiency in the sugar sector.
CENTRAL ASIA	
<p>TAJIKISTAN, UZBEKISTAN</p> <p>REAP-Resource Efficiency in Agri-food Production and Processing 2020- 2024</p> <p><i>CAREC</i></p>	<p>Building MSMEs capacity to deal innovatively with challenges in natural resource shortages and creating ecosystem for SCP and supply chain integration by:</p> <ul style="list-style-type: none"> • Improving sustainability in the agri-food production and processing industries; • Promoting SCP practices in the agri-food production and processing industries along the entire supply chain; • Developing business case for resource efficiency measures by MSMEs, while promoting eco-efficiency based on international standards and supporting companies in presenting bankable projects to financial institutions; • Providing training to MSMEs on suitable financial instruments for SCP solutions

INTERNAL THEMATIC MEETING

As result of the SWITCH-Asia Programme Steering Committee (PSC) Meeting held in December 2020, a series of “**Internal thematic cluster consultative and brainstorming meetings**” is now well inscribed in the programme as part of SWITCH-Asia activities 2021-mid-2022 and through joint efforts with partner countries and key organisations in the region.

Objective

For the clustered thematic issues focusing on agri-food sector, the objective of the consultation and brainstorming meeting is to strengthen cooperation and partnerships in delivering activities through the three SWITCH-Asia components, involving the Country EU Delegations (EUDs), the National Focal Points (NFPs), the Grant projects, and selected regional/international partners, to ensure cross-border exchange of experiences and larger impact.

Output

Results of the meeting can be:

- Increased collaboration between concerned partners;
- Implemented/embedded new EU Strategies related to agri-food sector;
- Exchange of the best practices in agri-food systems

Guideline for Discussion

1. How do we improve and consolidate synergies between the 3 Components, Grant Projects, RPAC and SCP Facility, and with other partners focusing on food system sustainability?
2. How can the SWITCH-Asia programme, through its 3 Components, contribute to advancing the food system sustainability in Asia?
3. How can potential synergies/partnerships be formed to mutually support and provide greater food sustainability impact through SCP, in Asia?
4. What are the main challenges and opportunities for replicating and scaling-up SCP practices through the Grant Projects in agri-food sector, at national and regional levels?
5. What are good practices to overcome challenges faced by agri-food sector?

Identification of important issues and possible areas for learning and cooperation:

1. Potential of the EU “Farm to Fork Strategy” to inspire measures that support the SCP agenda on a more sustainable footing and ensuring sustainable food production and consumption;
2. Fostering innovation through value chain collaboration;
3. Creation of new green business models on circular bio-based economy and promotion of agro-ecological approaches (including organic farming);

4. Scale-up and promote sustainable and socially responsible production methods and circular business models in food processing and retail – focus on SMEs;
5. Revise marketing standards to provide for (i) the uptake and supply of sustainable agricultural, fisheries and aquaculture products and (ii) reinforce the role of sustainability criteria to take into account the possible impacts of these standards on food loss;
6. Impact of the circular economy approaches in food value chains to accelerate the transition to sustainable food systems globally.

Challenges

1. Increased needs for food due to global population growth and triple burden of malnutrition (overnutrition, undernutrition and micronutrient deficiencies)
2. Primary producers capturing marginal level of value added and limited ability to shape food systems and change their production practice;
3. Resilience of supply chains: the impact of COVID-19 and related to it the temporary closure of borders and disrupted supply chains due to export bans –risks in future

4. Negative environmental, social and health impacts of the current food systems

Opportunities for collaboration and shared experience to guide the discussions

1. The rising interest in the agri-food value chains to switch towards more sustainable and fair models is shaping up
2. Positive trends on promotion of innovation and eco-design to produce in a more sustainable and responsible manner
3. Continuous support to key actors in the food value chains (SMEs in particular), with the potential for greening the food value chains, and to governments for creating the right policies and enabling environment driving the transition towards sustainable food systems;
4. The meeting will focus on the SWITCH-Asia achievements in promoting SCP in the agri-food sector through the technical assistance and grants provided to countries. The discussion will be on the role of stakeholders on how to scale up success stories from grants and support initiatives to foster innovative solutions and to address challenges that the sector is facing, including the current COVID-19 pandemic.

PROGRAMME

15:00 (CET+5)	• Housekeeping & Welcome Remarks
15:05	• Trends and Challenges for the Agri-food Sector towards Green Recovery through SCP, EU/Asia (F2F, Asia speaker)
15:20	• Sharing of Experiences from Country Technical Assistance and Grant Projects (Selected 5 speakers – Kazakhstan, , India, Vietnam, , Myanmar, Uzbekistan)
16:10	• <i>Moderated Roundtable</i> Building on speakers' presentations, the discussion will develop also following participants inputs.
17:00	• Event Closes

Regulations/guidelines relevant for supporting sustainable food system transition:

- [EU Green Deal](#)
- [EU Circular Economy Action Plan](#)
- [EU From Farm to Fork Strategy](#)
- [EU's Biodiversity strategy](#)
- [EU Chemicals Strategy](#)
- [EU Methane Strategy](#)
- [EU Action plan for the development of organic production](#)

Proposed Attendees of the Meeting:

Project Managers of Country EU Delegations (EUDs), European Commission, National Focal Points (NFPs) within Ministry of partner countries together with SWITCH-Asia implementing Ministry in case different, SCPF and its consortium members, RPAC, concerned Grant projects, and selected potential partners.

Potential Supporting Partners for future activities on agri-food:

FAO, UNEP, USAID, UNDP, World Bank, Ellen MacArthur Foundation

