# **OFFICIAL FEEDBACK FORM**



| DIALOGUE DATE       | Friday, 28 May 2021 08:00 GMT -06:00   |
|---------------------|--|
| DIALOGUE TITLE      | Can innovative financing advance livelihoods while building resilience for small-scale producers in Central America? |
| Convened by         | Cony Peralta, Country Director, Nicaragua - MEDA   |
| DIALOGUE EVENT PAGE | https://summitdialogues.org/dialogue/15876/  |
| DIALOGUE TYPE       | Independent  |
| GEOGRAPHICAL FOCUS  | Canada, Costa Rica, Guatemala, Honduras, Nicaragua, United States of America   |

The outcomes from a Food Systems Summit Dialogue will be of use in developing the pathway to sustainable food systems within the locality in which they take place. They will be a valuable contribution to the national pathways and also of interest to the different workstreams preparing for the Summit: the Action Tracks, Scientific Groups and Champions as well as for other Dialogues.

## **1. PARTICIPATION**



#### NUMBER OF PARTICIPANTS FROM EACH STAKEHOLDER GROUP

| siness                    |   | Member of Parliament                                      |
|---------------------------|---|---|
| poration                  |   | Local authority   |
| er                        | 4   | Government and national institution                       |
| mer                       | 6   | Regional economic community                               |
| er                        | 3   | United Nations  |
| mental Organization       |   | International financial institution                       |
| Governmental Organization |   | Private Foundation / Partnership / Alliance               |
| 2                         |   | Consumer group  |
| emia                      | 7   | Other   |
| r<br>v<br>r               | ooration<br>r<br>mer<br>r<br>mental Organization<br>Governmental Organization | oration 4<br>r 4<br>mer 6<br>r 3<br>mental Organization 6 |

## **2. PRINCIPLES OF ENGAGEMENT**

HOW DID YOU ORGANIZE THE DIALOGUE SO THAT THE PRINCIPLES WERE INCORPORATED, REINFORCED AND ENHANCED?

Our dialogue was organized around the central topic of how innovative financing can advance livelihoods while also building resilience for small-scale producers in Central America. At the outset of the dialogue, our convener emphasized that we need to (1) act with urgency to transform our food system and that we need to (2) commit to the vision and objectives coming out of the dialogue. Following introductions and two short presentations that highlighted (4) the complexity of the issues we face in our food systems, two break-out sessions were held to facilitate ample dialogue between participants. In each break-out session, two questions were posed and discussed in detail between a diversity of stakeholders. Discussions were forward looking and oriented around solving current problems in Nicaragua's and Central America's food systems. Following the first and second break-out session, representatives from each break-out room were encouraged to share key findings from their discussions as to (5) embrace multi-stakeholder inclusivity and provide space for diverse perspectives. Participants were (3) respectful of each other's ideas and (7) trust was built between a diversity of stakeholders within the food system. Outcomes from this dialogue (6) complement the ongoing work MEDA is dedicated to doing throughout the course of the Summit. This organizational format ultimately ensured that the principles of engagement were incorporated and enhanced throughout the dialogue event.

#### HOW DID YOUR DIALOGUE REFLECT SPECIFIC ASPECTS OF THE PRINCIPLES?

The Dialogue empowered stakeholders to participate in the preparation of the Food Systems Summit and our conversations were forward-looking, fostered new connections, and enabled the emergence of ways to move forward collectively and creatively, embracing the entire scope of opinions. The event was held in Spanish to encourage inclusivity and comfort in expressing views in local languages. Facilitators were trained in advance to ensure that the online space remained respectful for one another throughout the Dialogue. Participants listened to each other and were open to the co-existence of divergent points of view. Our dialogue also offered an opportunity to embrace the complexity of food systems in Nicaragua and Central America. We promoted a systemic approach to the conversation by involving multiple stakeholders to identify actions across the system together. The Dialogue brought together a diversity of stakeholders from within government, the business community, civil society, and research – working across the entire food system. In this sense, it was inclusive by showcasing many different voices and capturing diverse cultural, professional and gender specific perspectives. The Dialogue add-value to existing policy processes and initiatives by providing an opportunity to share promising innovations, connect stakeholders, and broaden partnerships to transform food systems for the common good.

DO YOU HAVE ADVICE FOR OTHER DIALOGUE CONVENORS ABOUT APPRECIATING THE PRINCIPLES OF ENGAGEMENT?

It is important for dialogue convenors to emphasize solutions-based and forward-thinking dialogue. This can be achieved by carefully selecting discussion questions and allocating plenty of time to explore them in detail. It is also critical that the invitees reflect the diversity of stakeholders within the food system to ensure inclusive and fair discussion. Fair and respectful dialogue can be achieved with proper facilitator training prior to convening the dialogue event. For support in the planning process and to ensure an organized and successful event, be sure to use the resources available for convenors on the Gateway platform. Supporting materials provided by the Food Systems Summit include a reference manual, convenor's checklist, event invitation template, run of show template, an excel planning tool and more.

## **3. METHOD**

The outcomes of a Dialogue are influenced by the method that is used.

DID YOU USE THE SAME METHOD AS RECOMMENDED BY THE CONVENORS REFERENCE MANUAL?

✓ Yes

No

## **4. DIALOGUE FOCUS & OUTCOMES**

### **MAJOR FOCUS**

Our Independent Dialogue explored two significant areas of focus related to Action Track Four: Advancing Equitable Livelihoods. The first topic of discussion for participants was barriers that prevent inclusive and equitable food systems from being heavily adopted, and how to use investment/capital more effectively to promote food systems that result in equitable and lasting changes to peoples' livelihoods. The second topics of discussion focused on how current interactions between people and businesses within food systems generate smallholder farmer resilience and what practical steps can be taken to help strengthen the resilience of smallholders – exploring the role of investment in such initiatives.

#### **ACTION TRACKS**

| KEYWORDS | 1 |
|----------|---|
|----------|---|

|   | Action Track 1: Ensure access to safe and<br>nutritious food for all   | 1 | Finance                      | 1 | Policy                     |
|---|--|---|------------------------------|---|----------------------------|
|   | Action Track 2: Shift to sustainable<br>consumption patterns           |   | Innovation                   | 1 | Data & Evidence            |
|   | Action Track 3: Boost nature-positive<br>production                    |   | Human rights                 | 1 | Governance                 |
| 1 | Action Track 4: Advance equitable livelihoods                          | 1 | Women & Youth<br>Empowerment |   | Trade-offs                 |
|   | Action Track 5: Build resilience to vulnerabilities, shocks and stress |   |                              |   | Environment<br>and Climate |

### **MAIN FINDINGS**

Our Dialogue highlighted the importance of strong partnerships within food systems and value chains, the need for increased gender equality and inclusion within food systems, and increasingly sustainable investment practices that prioritize producer's needs and increase producer visibility in agri-food systems.

#### Partnerships and Linkages

In identifying the importance of partnerships for sustainable, equitable, and resilient food systems, participants recognized that strengthening the value chain has developed capacities in the food production system. In addition, strengthening business strategies to establish alliances and cooperation between various stakeholders (technology sector, financing, NGOs etc.) was considered as a priority. Participants also recognized that partnerships have been fundamental to face the difficulties and build resilience in spaces where everyone can participate, including access to technology and information, technical assistance, and efficient systems for small producers. The search for alliances and complementarity among the key players in the food system has allowed small producers to access more profitable markets that help them establish stronger and more resilient business models. Participants identified a need for increased opportunities within these partnerships, including means of transport, increased marketing channels, and increased access to information. Participants also identified a need for the participation of financial institutions in forming and sustaining close partnerships with producers, recognizing that larger institutions and corporations are better able to adapt to external pressures and stressors than small-holder producers.

#### Gender Equality and Social Inclusion

Participants identified increased gender equality and inclusion as key aspects of resilient food systems. The lack of gender and environmental lenses for all processes and stages of the food value chain was highlighted by participants as a barrier to inclusive and equitable food systems.

Recommendations on this issue included ensuring investment processes have a strong gender focus; for example, reviewing gender aspects when smallholder and producer organizations are offered access to funding. Moreover, participants identified resilience within agri-food systems as diversified systems with gender inclusive practices and identified the importance of smallholder farmers comprehensive knowledge management to better respond and prepare for shocks and risks. In recognition that small producers do not always have strong adaptive capacities to climate change stressors, participants believe that farmers' resilience must be strengthened to do so, complemented by concrete actions by those with investment capital. The example given by a participant was that training in efficient water management practices must be accompanied by capital so that small producers can effectively acquire these technologies. Productive diversification should be seen not as a strategy focused solely on income at different times of production, but as an approach that also considers the risks associated with production, which will generate capacities to increase or strengthen resilience. Participants recognized the importance of disseminating the word 'resilience' so that producers can better understand what it means and work with it more effectively.

#### Producer Agency in Investment Decision Making

Participants identified the need for investments that are sustainable and that prioritize the needs of producers. For example, guidelines for the management of capital/investment in agri-food systems are often set by donors, which could diminish the voices and needs of producers themselves. Additionally, participants identified a lack of follow-up to existing investment actions, suggesting that indicators that measure and evaluate investments and results are necessary for sustainable food systems. Within the discourse of sustainable investment, participants also identified need for investment in financial education for market actors to increase financial fluency, including teaching producers the importance of creating business models. Additional recommendations include monitoring the credit granted to small producers to avoid over-indebtedness, and increased efforts to change the high-risk perspective that banks have on the agricultural sector through information and awareness of its importance in food systems.

#### **ACTION TRACKS**

1

Action Track 1: Ensure access to safe and nutritious food for all

Action Track 2: Shift to sustainable consumption patterns

Action Track 3: Boost nature-positive production

Action Track 4: Advance equitable livelihoods

Action Track 5: Build resilience to vulnerabilities, shocks and stress

#### **KEYWORDS**

| 1 | Finance                      | 1 | Policy                     |
|---|------------------------------|---|----------------------------|
|   | Innovation                   | 1 | Data & Evidence            |
|   | Human rights                 | 1 | Governance                 |
| 1 | Women & Youth<br>Empowerment |   | Trade-offs                 |
|   |                              |   | Environment<br>and Climate |

### **OUTCOMES FOR EACH DISCUSSION TOPIC**

Discussion topic #1:

#### Barriers:

Outcomes from the discussion of barriers that prevent equitable and inclusive food systems include the need for an overall greater awareness of food systems to identify barriers, increase access to technology, competitiveness, and productivity for small producers. Participants identified the need for in-depth understandings of local dynamics and contexts when working with local small-holder producers to overcome the barrier of producers being viewed as a homogenous group. Another important outcome is recognizing that the demands of financial systems are often not adapted to the realities of producers, and as interest rates continue to rise, access to finance and conventional banking mechanisms are not always feasible for small producers. Therefore, approaches taken must be both ethical and highly contextual.

#### Capital:

The outcomes surrounding the discussion of capital include the need for increased producer visibility within value chains and in both national and local settings. Participants identified that the national financial system must begin to make small producers visible as reliable customers and consider the supports/guarantees that buyers offer. Participants also identified the need for an increase in gender-aware investment in agri-food systems, discussing that raising women's awareness of their role within food systems can demystify the risk and aversion that women producers have to investment.

#### Topics for Discussion #2

#### Resilience:

Outcomes within the discussion of resilience in agri-food systems and small-holder producers include increased financial support and partnerships to combat the impact of the pandemic on many development projects. Participants recognized that the complementarity of different actors contributes to resilience, where each can use their knowledge (in issues such as productivity, climate change, access to technology) and tools that allow producers to be more resilient. Participants also identified that, broadly, project objectives have been more difficult to achieve since the pandemic because they are more expensive. Participants identified an opportunity for increased partnerships for financial companies and small producers (as well as other links in the value chain) to accompany processes of capacity-building for producers, accompanied with confidence of the business sector. For example, many of MEDA's projects work directly with producers and with the business sector. Participants recognized a need for further efforts towards fair trade and rapprochement between producers and final consumers to result in fair prices to contribute to the resilience and sustainability of food systems.

#### Practical Steps:

Outcomes identified within the discussion of practical steps to help strengthen the resilience of smallholders include increased training and risk management for small producers, increasing the role of women and youth within agri-food systems, greater producer control of imported technologies, and agricultural insurance. Additionally, participants identified a need for investments that facilitate access to inputs for producers at better prices, having access to the transformation of the product, and ensuring social improvements (including schools and environmental projects). Promoting the nutritional value of foods and encouraging consumption of local foods that increases producer visibility and market integration for small-holder farmers were also identified as distinct areas that require increased attention and effort. Recognizing the importance of relationships and partnerships within agri-food systems and value chains, participants identified the necessity of security and trust in ensuring resilience within markets, production systems, and investments. A recurring theme was the need for youth involvement and advocacy within food systems. Participants identified that it is necessary to promote actions that link youth to value chains, and youth involvement was listed as a practical next step for increasing the resilience of smallholders.

#### **ACTION TRACKS**

1

Action Track 1: Ensure access to safe and nutritious food for all

Action Track 2: Shift to sustainable consumption patterns

Action Track 3: Boost nature-positive production

Action Track 4: Advance equitable livelihoods

Action Track 5: Build resilience to vulnerabilities, shocks and stress

#### **KEYWORDS**

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| 1 | Women & Youth<br>Empowerment |   | Trade-offs                 |
|   |                              |   | Environment<br>and Climate |

### **AREAS OF DIVERGENCE**

No divergences emerged during the Dialogue.

#### **ACTION TRACKS**

| Action Track 1: Ensure access to safe and |
|---|
| nutritious food for all                   |

Action Track 2: Shift to sustainable consumption patterns

Action Track 3: Boost nature-positive production

Action Track 4: Advance equitable livelihoods

Action Track 5: Build resilience to vulnerabilities, shocks and stress

#### **KEYWORDS**

