

# OFFICIAL FEEDBACK FORM

<b>DIALOGUE DATE</b>	Tuesday, 29 June 2021 09:00 GMT +08:00
<b>DIALOGUE TITLE</b>	National Dialogue on Responsible Agricultural Investments
<b>CONVENED BY</b>	Hon. Secretary William D. Dar
<b>DIALOGUE EVENT PAGE</b>	<a href="https://summitdialogues.org/dialogue/29793/">https://summitdialogues.org/dialogue/29793/</a>
<b>DIALOGUE TYPE</b>	Member State
<b>GEOGRAPHICAL FOCUS</b>	Philippines

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

## TOTAL NUMBER OF PARTICIPANTS

175

## PARTICIPATION BY AGE RANGE

0-18

22

19-30

45

31-50

108

51-65

66-80

80+

## PARTICIPATION BY GENDER

101 Male

74 Female

26 Prefer not to say or Other

## NUMBER OF PARTICIPANTS IN EACH SECTOR

56 Agriculture/crops

10 Fish and aquaculture

18 Livestock

Agro-forestry

Environment and ecology

Trade and commerce

Education

Communication

Food processing

Food retail, markets

16 Food industry

Financial Services

Health care

Nutrition

55 National or local government

Utilities

Industrial

Other

## NUMBER OF PARTICIPANTS FROM EACH STAKEHOLDER GROUP

12 Small/medium enterprise/artisan

Large national business

16 Multi-national corporation

22 Small-scale farmer

Medium-scale farmer

6 Large-scale farmer

16 Local Non-Governmental Organization

1 International Non-Governmental Organization

Indigenous People

1 Science and academia

Workers and trade union

Member of Parliament

Local authority

66 Government and national institution

Regional economic community

United Nations

International financial institution

Private Foundation / Partnership / Alliance

1 Consumer group

Other

## 2. PRINCIPLES OF ENGAGEMENT

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

The National Dialogue on Responsible Agricultural Investments, which was held on 29 June 2021, was conducted as a venue for discussion and sharing of ideas on how to maximize the country's regulatory environment to attract more responsible investments in agriculture. This dialogue with the private sector was undertaken through a panel discussion, joined by two representatives from the private sector and four from the government sector. The event aimed to update participants on the current investment policies of the government so that these can be maximized. Furthermore, the event highlighted the role of current investment policies of the government in enabling the entire food value chain to become more sustainable and resilient to environment shocks. The panelists from the government were from the Land Bank of the Philippines, Board of Investments, Department of Agrarian Reform and Department of Agriculture. These agencies are instrumental in stimulating agri-fishery investments in the Philippines. On the other hand, the panelists from the private sector were representatives from two of the biggest corporations in the Philippines that are heavily involved in food production: Pilmico Foods Corp and Nestle Philippines Inc. These two food companies are also involved in Pilipinas Kontra Gutom (PKG), a national and multi-sectoral anti-hunger movement that works on various programs. Their goal is to achieve 1 million fewer hungry Filipinos by 2022 and hopefully eradicate hunger by 2030. This goal is in line with the 17 Sustainable Development Goals (SDGs) of the UN's Decade of Action, which include, among others, no poverty, zero hunger, and good health and well-being by 2030.

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

When the COVID-19 pandemic revealed the limitations in the Philippines food system -- such as logistical issues when borders closed and movement was restricted, or the issue of accessing quality and safe food at affordable prices -- the urgency of effecting major changes in outlook and approaches to attain food systems transformation to make them responsive to the ever-changing needs of the time, was highlighted. It is within this context that the Department of Agriculture held a virtual national dialogue on responsible investment in agriculture. Responsible agricultural investments and its principles have already been agreed to as far back as 2014. One of these principles is that it should contribute to food security and nutrition. While the importance of this principle was underscored in the dialogue, the private sector identified several challenges as well as the needed interventions from the government to achieve economies of scale for a market-driven, value-chain oriented food system. This principle is also in line with the Philippine Department of Agriculture's New Thinking in Agriculture, which aims to achieve zero hunger, render the country food secure, and make its farmers and fisherfolk prosperous.

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

None.

# 3. METHOD

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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

The Dialogue focused on the four of the eight paradigms of the Philippine Department of Agriculture's "New Thinking in Agriculture" – modernization, industrialization, consolidation, and infrastructure development. All of these paradigms are anchored on investments, the bulk of which comes from the private sector.

Since responsible agricultural investments should contribute to food security and nutrition, among other principles, key challenges, gaps and areas of improvement were discussed to identify and formulate necessary policies and interventions from the government to address these concerns.

### 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

- ✓ Finance
- ✓ Innovation
- Human rights
- Women & Youth Empowerment
- ✓ Policy
- ✓ Data & Evidence
- ✓ Governance
- Trade-offs
- ✓ Environment and Climate

## MAIN FINDINGS

The following were the findings and recommendations of the National Dialogue on Responsible Investments in Agriculture:

1. Investments in agriculture are necessary for food and nutrition security. Based on the discussion, there is a need to work on incentives, technology, credit support and investments in the whole agriculture value chain, particularly on farm consolidation or clustering to achieve economies of scale for a market-driven, value-chain oriented food system. One important suggestion is for the government to launch an awareness campaign highlighting the advantages if farmers and fishers consolidate/cluster.
2. It is vital to increase the confidence level of investors in the agriculture and fisheries sector. A step towards this goal can be observed in the passing of the CREATE Law. With this, the government should openly engage with the private sector to maximize government policies on investment and support in the agriculture sector.
3. The government needs to prioritize provisions of fiscal incentives to help the private sector regain confidence after going through the adverse effects of the pandemic. The government and its stakeholders should continue working together to achieve national food security. Furthermore, investments should focus more on post-harvest infrastructure, such as cold storage facilities, warehouses, and refrigeration facilities to mitigate post-harvest losses and food wastage along the value chain, and to develop markets for perishable products, among others.
4. The private sector takes big risks when investing in agriculture. Therefore, the government should provide a fair, transparent, consistent, and enabling environment. Furthermore, the farmer/beneficiary/cooperator should also be considered by the private sector/investor so that they share in the wealth generated by the land.
5. Statistically, it is possible to achieve zero hunger by 2030 but this will need extreme political will. Specifically, this period will practically cover two administrations which may not necessarily have the same political vision. There is a need to continuously increase production and investment to level up the agri-fishery sector. Consequently, this shall address the demand of the growing population of Filipinos.
6. The efforts of the government should be clearly targeted and focused to achieve the SDGs by 2030. For example, government interventions should target stunting among Filipino children.
7. The government should take a whole-of-country approach seriously and beyond this administration. This includes ensuring the active participation of non-government stakeholders in eradicating hunger, achieving food security and improved nutrition, and promoting sustainable and responsible agriculture.

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## OUTCOMES FOR EACH DISCUSSION TOPIC

The results of the Dialogue are as follows:

### 1. Extensive discussion on the CREATE Law

It was shared that both the government and private sectors support and are very optimistic about the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Law. The law improves the country's incentive system including the reduction of the corporate income tax rate and aims to lower investment costs for borrowers and operating capital. It was underscored that this law will also help the country become more competitive, particularly with other ASEAN countries, as it elicits and encourages more investments into the country.

It was also suggested that the CREATE law be amended to consider imposing taxes on imported finished goods to level up the playing field.

### 2. Demonstration of support for Land consolidation and clustering

It was underscored that land consolidation and clustering is an avenue to help modernize agriculture and will help improve the payment capacity of borrowers, through efficient production and marketing. This strategy also addresses the concerns of some investors who would like to invest in a big area of land, which could not be catered before without clustered lands.

It was highlighted that this strategy could only succeed when full support is given in the whole value chain in terms of technology, financing, marketing, and enabling the policy environment. Aside from these, legitimizing clustering was also recognized as a priority for the private sector. Through this initiative, there is assurance that support is being provided for the whole value chain.

On the side of the government, concerns such as rapid sharing, marketing agreement and income concerns of farmers with the corporations, as well as pole-vaulting or side-selling issues were raised. Awareness campaigns could highlight the benefits of clustering/consolidation. Monitoring of productivity and income will help meet the goals of farmers. There is also a need to develop a more effective business model by cooperatives.

### 3. Empowering the community of farmers, workers, and independent beneficiaries

There were main strategies shared by the private sector during the dialogue. First, there must be partnership between and among the farmers. This partnership must include a mechanism by which the produce of the farmers are to be purchased by the private sector or investors. Second, machineries must be provided and be made available to the farmers. Third, farmers must be taught new techniques (e.g. rejuvenating and rehabilitation of farms to increase farmers' production and income). Government support must be in place (e.g. financing assistance and incentives).

### 4. Enabling environment for agricultural investment

The tax programs of the government should be expanded to the whole value chain. Engagement of the government with the private sector through public private partnership was also recognized. Another suggestion was focused on increasing the investments in technology.

### 5. Soliciting more support from the government

The private sector underscored the necessity for the government to prioritize fiscal incentives because it gives confidence for them to get back from the adverse effects of the pandemic and for the farmers to continue producing goods. It should also invest in post-harvest infrastructure, such as cold storage facilities, warehouses, and refrigeration facilities to mitigate post-harvest losses and food wastage along the value chain, thereby expanding markets for perishable products, among others. The private sector also shared its support to the government's approach of "One region, one product" since not all crops can be planted in all regions.

### 6. Commitment to work in achieving zero hunger by 2030

There is a need for extreme political will. Government interventions in eliminating hunger should be well targeted and focused and this requires the necessity for disaggregated data. Interventions should start at the level of expectant and lactating mothers. Finally, school feeding programs should be expanded. The government should take the whole-of-country approach.

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## AREAS OF DIVERGENCE

None.

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