

Switzerland - written input on Draft for Negotiation of the Policy Recommendations on Promoting Youth Engagement and Employment in Agriculture and Food Systems

Deadline: May 15, 2022

Link Zero Draft: [CFS Policy Recs Youth Zero Draft.pdf \(fao.org\)](#)

Link Draft One: [CFS Policy Recs Youth Draft for Negotiations 15 Apr2022.pdf \(fao.org\)](#)

Message from Rapporteur: *“While there will be no further draft circulated ahead of the first round of negotiations, I would still welcome your written inputs on the Draft for Negotiations to cfs@fao.org by 15 May to give all stakeholders the opportunity to express their positions and prepare the ground for consensus building later on.”*

- Switzerland would like to thank the Rapporteur of the CFS policy convergence process on Youth Engagement and Employment in Agriculture and Food Systems, as well as the CFS Secretariat, for the Draft for Negotiation of the Policy Recommendations on Promoting Youth Engagement and Employment in Agriculture and Food Systems.
- ✓ In our view, the document well incorporates several of our comments and suggestions provided on the Zero Draft during the OWEG meeting held on 14 March, as well as written inputs sent to the CFS Secretariat. This applies, for example to the strengthening of the food systems approach and the attractiveness of the agriculture and food sector:
 - ✓ Switzerland welcomes that the holistic food systems approach has been strengthened in the Rational and Section 2 (e.g. Rational 1st, 2nd, 3rd ; Paragraph 2a) and Paragraph 2h)).
 - ✓ Switzerland welcomes that the Draft for Negotiations acknowledges that giving young people access to resources, employment, and education is of utmost importance but not sufficient. We suggested to add specific recommendations that address the issue of low social recognition and for the difficult working conditions that may keep young people away from pursuing careers in agriculture and

food systems. Additionally, we proposed that the element of youth participation in decision-making processes could be emphasised more strongly. Both the Rational (1st, 3rd) and Section 1 (Paragraph 1a, 1b, 1g) now contain wording to this effect.

- ✓ Switzerland also welcomes the continued concise and concrete manner the Policy Recommendations are drafted. We believe that in its concise manner it is useful and applicable for policy makers while still addressing the needs of implementers.
- ✗ **Switzerland would like to reemphasise two comments made on the Zero Draft that have, in our view, not been adequately reflected in the Draft for Negotiation and that we would like to see strengthened in the text.**
- ✗ **Transparency of value chains and de-risking methods:** The highly relevant aspects of transparency of value chains and shared responsibility along the value chain as well as de-risking methods need to be addressed in the document. The following table provides an overview of our comment on the Zero Draft and makes a suggestion for wording in the Draft for Negotiation.

Swiss Comment on Zero Draft	Text Draft for Negotiation with Swiss suggestion (red, italic) in Paragraph 2h and 3g
<p>The highly relevant aspects of transparency of value chains and shared responsibility along the value chain as well as de-risking methods need to be addressed in the document.</p> <p>More transparency and product traceability from the producer level up to retailers and consumers increases awareness and promotes accountability of larger off-takers or retailers. This contributes to the bargaining power of producers in favour of a fair sharing of margins across the value chain.</p> <p>To this purpose, we suggest the promotion of digitalisation, technology and other relevant solutions like the build-up of regional marketing. This point has not been included in the Draft for Negotiation.</p>	<p>2h): Establish monitoring mechanisms to foster the progressive transition to formalization of informal enterprises in agriculture and food systems, including youth-led ones, for business owners and employees to get formal social and labour coverage, as well as access to financial and other support. <i>Consider the promotion of de-risking solutions, specifically at the level of farmers and producer organizations, that will make their cash flows more predictable for financial institutions and will therefore make them bankable and facilitate access to credit markets.</i> (#Formalization)</p> <p>3g): Create enabling conditions for the engagement and leadership of youth in setting up shortdistance supply chain initiatives, such as community supported agriculture, urban and peri-urban agriculture, food baskets and local markets, that reduce the distance between consumers</p>



<p>Regional markets, in fact, foster transparency and provide a greater added-value as well as opportunities for small farmers. Furthermore, de-risking methods in agriculture and value chain investments need to be addressed in the document.</p> <p>De-risk promising youth initiatives, both for prospective investors and young entrepreneurs are essential to increase income stability and predictability and to make the ventures of young agri-entrepreneurs more attractive to investors. We suggest adding this proposition in Chapter 2b).</p>	<p>and producers, by implementing guidance provided by the CFS Policy Recommendations on Connecting Smallholders to Markets. <u><i>This includes more transparency and product traceability from the producer level to retailers and consumers, as this increases awareness, promotes accountability of larger off-takers or retailers, and contributes to the bargaining power of producer in favor of a fair sharing of margins across the value chain. To this end, digitalisation, technology and other relevant solutions like the build-up of regional marketing shall be promoted</i></u> (#Markets)</p>
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X Promotion of rural financial sector: The urban banking sector in agri-food systems is growing strongly worldwide, but the rural sector needs further support.. This is not yet adequately reflected in the text. The following table provides an overview of our comment on the Zero Draft and makes a suggestion for wording in the Draft for Negotiation.

Swiss Comment on Zero Draft	Text Draft for Negotiation with Swiss suggestion (red, italic) in Paragraph 2h and 3g
<p>The urban banking and microfinance sector has grown successfully worldwide, while the rural financial sector has evidenced a more challenging business environment. Higher risks when financing agricultural clients and activities, and higher operational costs to set up rural branch networks to serve more distant clients are just two main reasons. A functioning financial sector in rural areas is important to ensure access to credit and other financial services across the rural-urban continuum and the food system value chains. This is not only essential to foster youth's entrepreneurship but also to increase rural area's vitality and thus their attractiveness.</p>	<p>2h): Establish monitoring mechanisms to foster the progressive transition to formalization of informal enterprises in agriculture and food systems, including youth-led ones, for business owners and employees to get formal social and labour coverage, as well as access to financial and other support. Consider the promotion of de-risking solutions, specifically at the level of farmers and producer organizations, that will make their cash flows more predictable for financial institutions and will therefore make them bankable and facilitate access to credit markets. <u><i>Improve the framework conditions, including regulatory conditions, for rural financial institutions. Consider de-risking solutions for financial institutions operating in more</i></u></p>



challenging rural environments with higher concentration risks due to exposure to regional agricultural activities. (#Formalization)

3g): Create enabling conditions for the engagement and leadership of youth in setting up short distance supply chain initiatives, such as community supported agriculture, urban and peri-urban agriculture, food baskets and local markets, that reduce the distance between consumers and producers, by implementing guidance provided by the CFS Policy Recommendations on Connecting Smallholders to Markets. This includes more transparency and product traceability from the producer level to retailers and consumers, increases awareness, promotes accountability of larger off-takers or retailers, and contributes to the bargaining power of producer in favor of a fair sharing of margins across the value chain. To this end, digitalisation, technology and other relevant solutions like the build-up of regional marketing shall be promoted (#Markets)