

Transforming Agriculture in South Sudan

From Humanitarian Aid to a
Development Oriented
Growth Path

Presentation to the Economic
Inclusion Working Group
March 22, 2022
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WORLD BANK GROUP



Outline

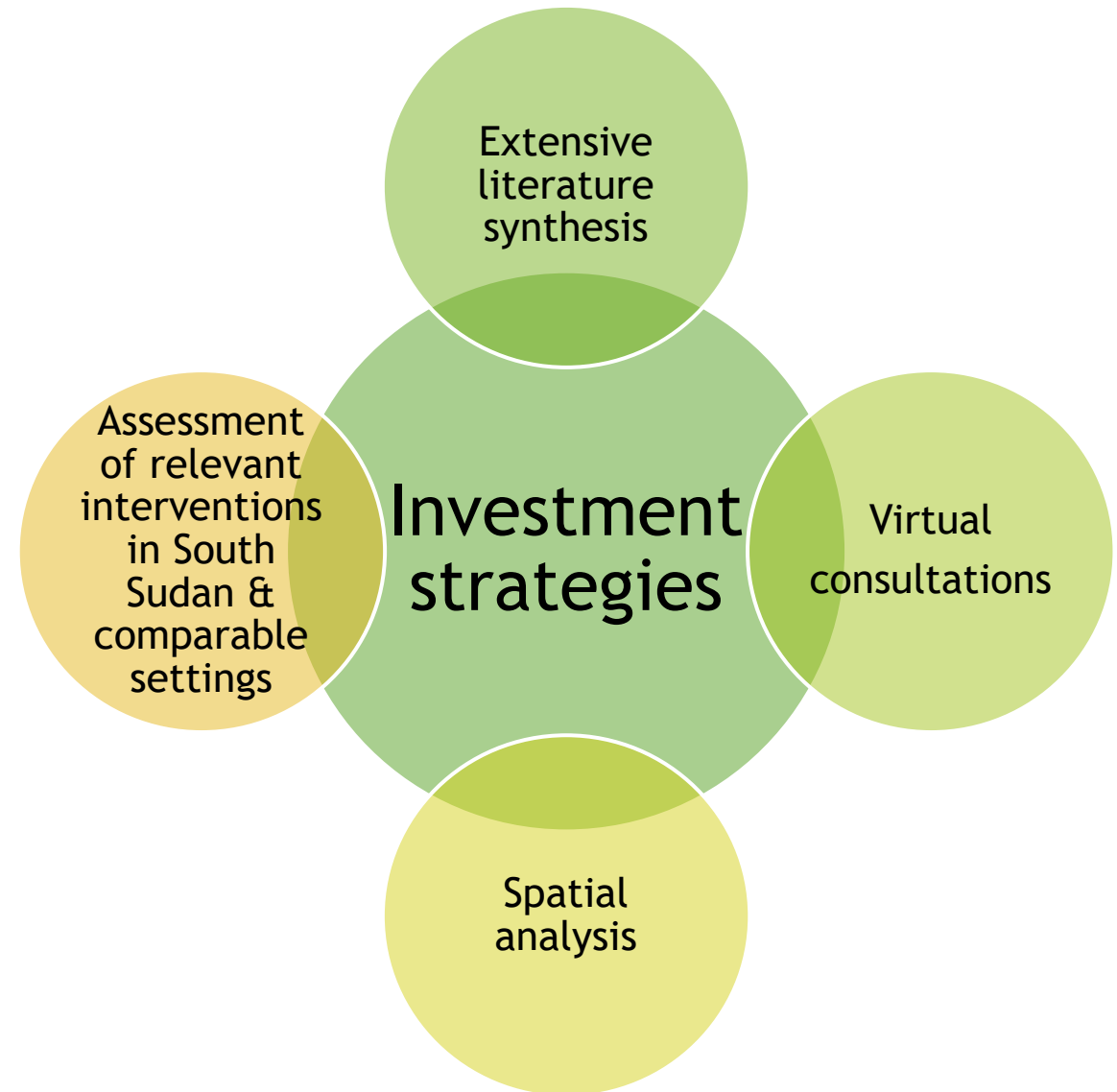
1. Overview of the analytical work
2. Key findings
3. Investment strategies
4. Way Forward



1. Overview

Objective and approach

- **Objective:** Identify viable public and private investment scenarios and related policy and institutional support requirements for the transition of agriculture sector in South Sudan from humanitarian relief to a development-oriented growth path.
- **Approach:** Multi-sectoral and conflict-sensitive approach, while drawing on the lessons and experiences from South Sudan and other FCV situations.



Report overview



Food and Agriculture
Organization of the
United Nations



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TRANSFORMING AGRICULTURE IN SOUTH SUDAN FROM HUMANITARIAN AID TO A DEVELOPMENT ORIENTED GROWTH PATH



FAO
INVESTMENT
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COUNTRY
INVESTMENT
HIGHLIGHTS

1 - Building blocks and bottlenecks to develop agriculture in South Sudan

- Agricultural potential
- Enabling environment
- Policies and institutions
- Role of conflict
- International aid

2 - Lessons learnt to foster agri-food systems in fragile and conflict situations

- International guidelines
- Development approaches to foster conflict resolution
- Human and social capital restoration

3 - Four Investment strategies for an agricultural transition in South Sudan

- Complementary over time and space/geography
- Anchored in existing policy frameworks
- Conflict sensitive and flexible

4 - The way forward

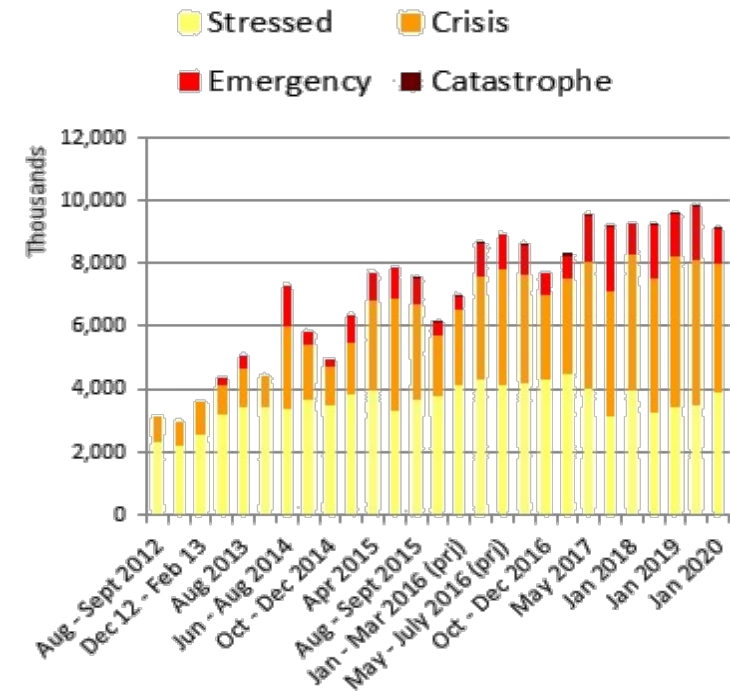
- Blending strategies and managing risks
- Through policy dialogue

The image features a person from behind, herding a group of cattle in a dry, open landscape. The scene is overlaid with a green geometric design consisting of various shades of green triangles and polygons. The text "2. Key findings" is centered in a green font.

2. Key findings

Setting the scene (1/2)

- ▶ Since independence in 2011, South Sudan has undergone persistent conflicts and natural disasters and has become as **an extremely fragile country on all grounds**.
- ▶ Despite massive humanitarian aid, **human development outcomes are among the lowest in the world: Human Development Index is 185 out of 189**



45%
pop. < 15
years

1 in 3 people
internally
displaced

In Jan 2022
8.3 million
people
severely food
insecure

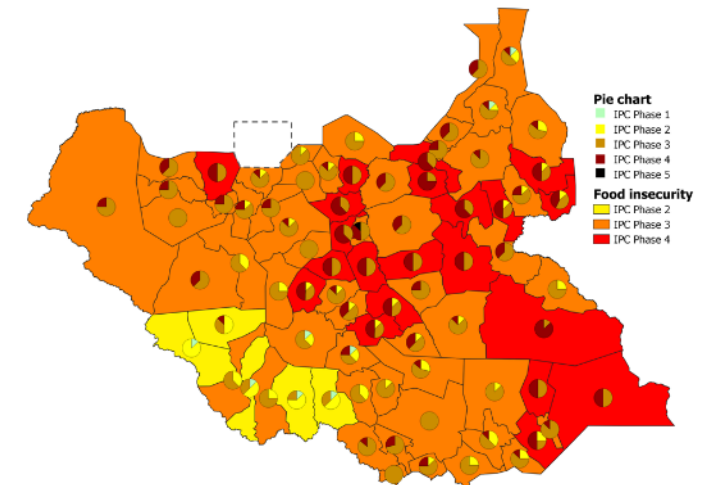
58 years
Life
expectancy at
birth

84%
women
illiterate

82%
pop. poor

4.6%
pop. direct
access to
electricity

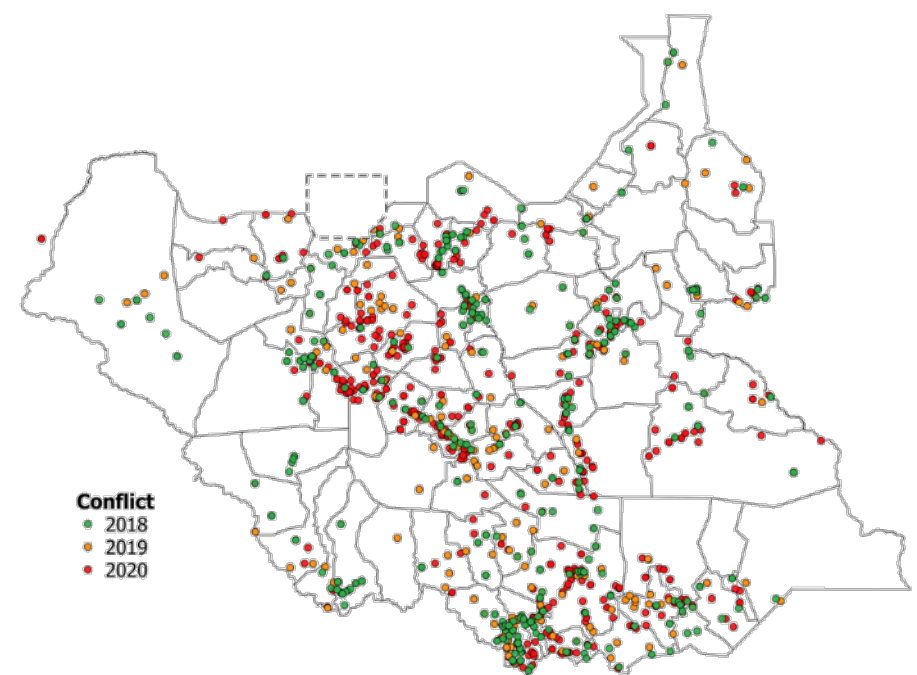
1.5km/100km²
Lowest km
road density in
Africa



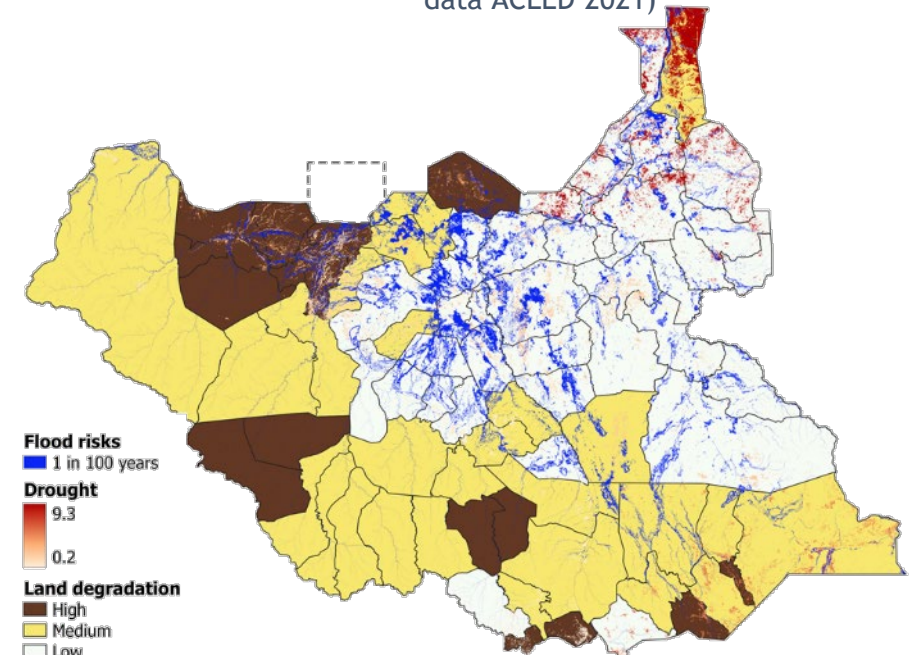
Most frequent food insecurity phase per county over 2017-2020 (authors, data FEWSNET 2021)

Setting the scene (2/2)

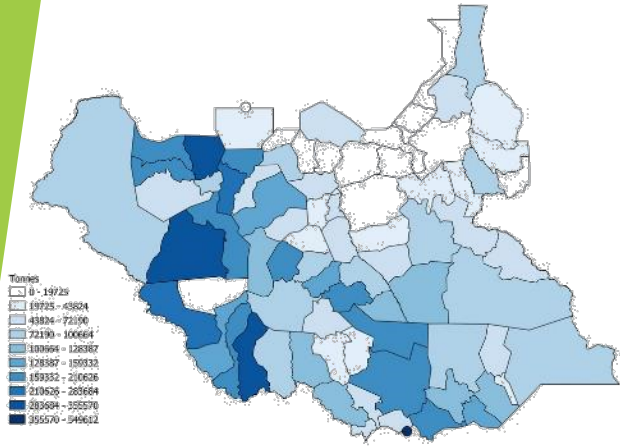
- ▶ **Crisis drivers:** conflict, macroeconomic, natural and weather shocks (floods, locusts)
- ▶ **Agricultural development remains a high priority** even if the outlook for peace, security and macroeconomic stability is uncertain.
- ▶ **Need for a comprehensive approach** that goes beyond Ag. productivity to include value chains improvements, rebuilding human and social capital and trust among communities.
- ▶ Despite enormous challenges, South Sudan's **agri-food systems represent a major development opportunity** to improve food security, but also livelihoods, jobs and peace.



Conflict over 2018-2020 in South Sudan (authors, data ACLED 2021)



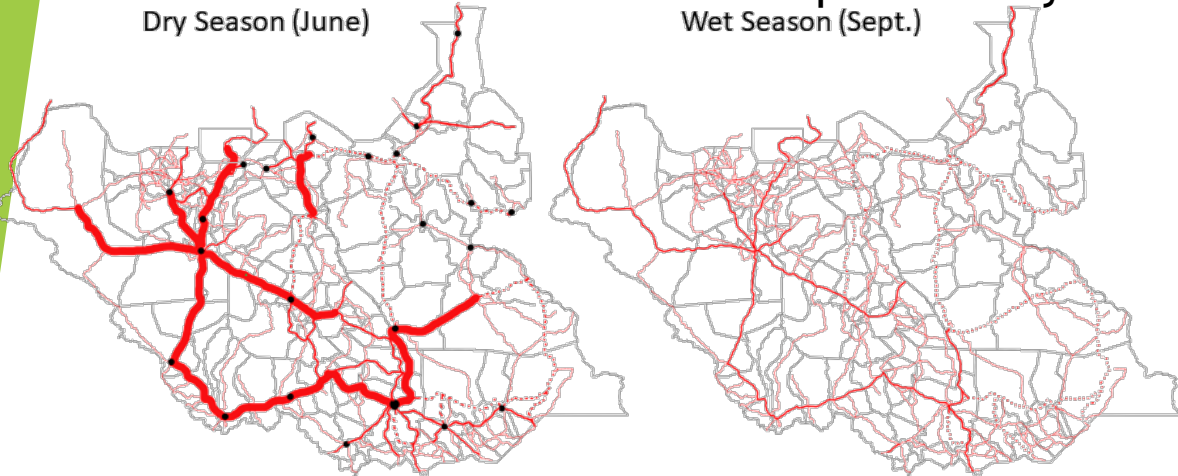
Building blocks and bottlenecks to develop agriculture



Estimates of total crop supply (authors)

Dry Season (June)

Wet Season (Sept.)



Accessibility of the road network (authors based on Open street Map, FEWS NET 2020, Logistics Cluster 2020)

- ▶ South Sudan's natural resource base allows a wide array of crop, livestock and fishery value chains
- ▶ Investing in food systems (e.g. post-harvest investments) can have a significant job-multiplier effect and social benefits
- ▶ The current policy and investment framework (CAMP and sub-sector policies) provides a good basis but should be updated and lacks implementation capacity and financial resources
- ▶ Since 2016, significant efforts have been made to improve the coordination of the international aid.
- ▶ Peace can be locally achieved by conflict resolution mechanisms, particularly over the control of natural resources.

However, besides conflicts...

- ▶ The business environment is difficult and access to financial services challenging both on the demand and supply side,
- ▶ A broad range of infrastructure assets are lacking (roads, energy, telecommunications, water management)

Learn from lessons: Fostering transformation of agri-food systems in fragile, conflict and violence (FCV) affected situations

- ▶ **International guidelines:** interventions in FCV-affected areas must be conflict-sensitive, aiming to both peace and development, tailored to the local situation, crisis resilient and be gender sensitive.
- ▶ **Past interventions** in South Sudan and comparable countries show that despite high challenges, development investments can yield results.
- ▶ **Practical lessons** were drawn to identify key success factors, policy, governance and institutional conditions.



Community-based approaches (*Caisses de résilience*, Community-driven development /CDD)



Supporting farmers' organizations



Territorial approaches to manage tensions arising from natural resources control



Developing value chains, value addition and job creation



Restoring human capital (capacity building, innovation, inclusiveness)



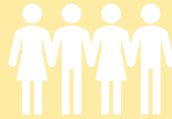
3. Investment strategies

4 Complementary Strategies

- ▶ addressing the multiple consequences of decades of conflict with a longer-term perspective than humanitarian support;
- ▶ anchored into the existing policy and investment framework (CAMP in particular);
- ▶ builds on the South Sudan and FCV countries experiences.



Strategy 1:
agricultural
production



Strategy 2:
Community
resilience & social
capital



Strategy 3:
Value chain
development &
jobs



Strategy 4:
Peace
consolidation



Strategy 1: Agricultural production

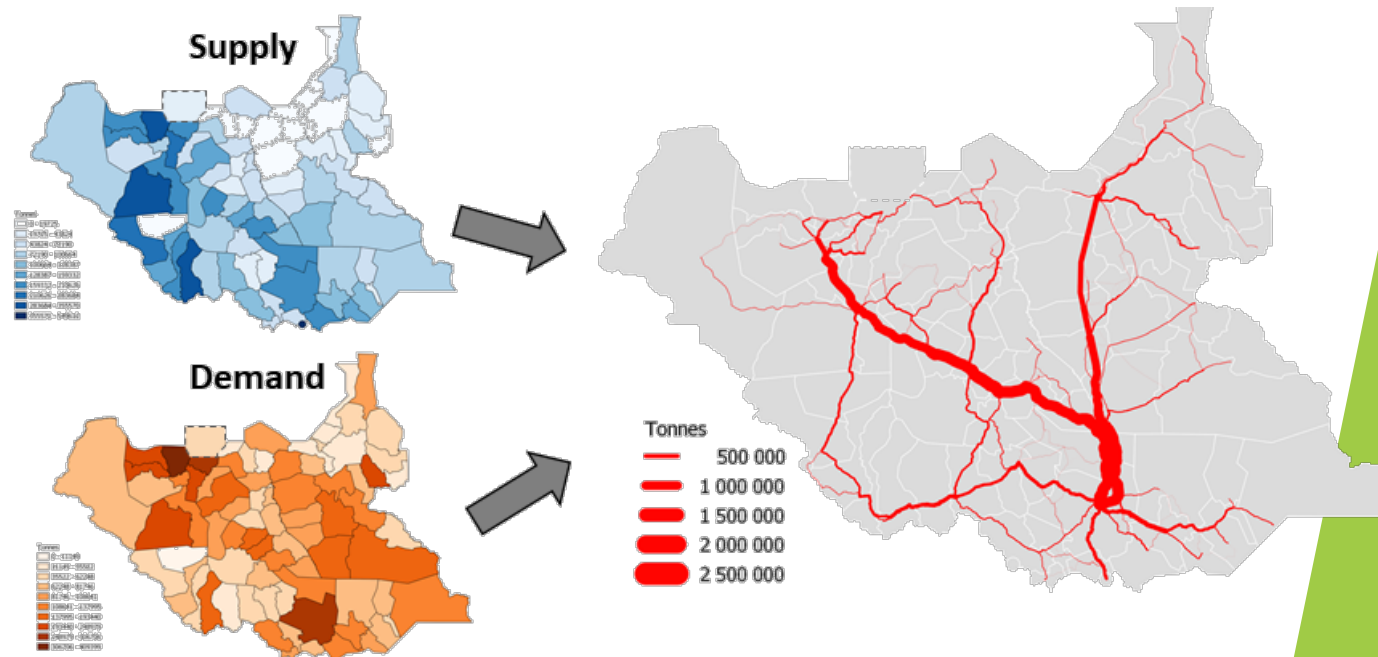
Why? To improve food security and nutrition, South Sudan needs to significantly increase the production, diversification and (labor and land) productivity of its agriculture.

How?

- ▶ Innovative community-based agricultural extension and animal health **services** delivery mechanisms
 - ▶ Assessment of community capacity needs
 - ▶ Farmers Field School (FFS), Pastoral Field Schools (PSF), Business Field Schools (BFS), Community Animal Health Workers (CAHWS)
 - ▶ Radio based knowledge programs
- ▶ **Private supply** of farm inputs and equipment
 - ▶ Capacity development
 - ▶ Support local seed production
 - ▶ Support farmers' organizations
- ▶ **Rural roads development** which link food surplus areas with deficit areas

Where?

Priority areas defined by the **potential** for quick supply response and enhancing infrastructure network to facilitate transport of food surpluses to deficit areas.





Strategy 2: Community resilience & social capital

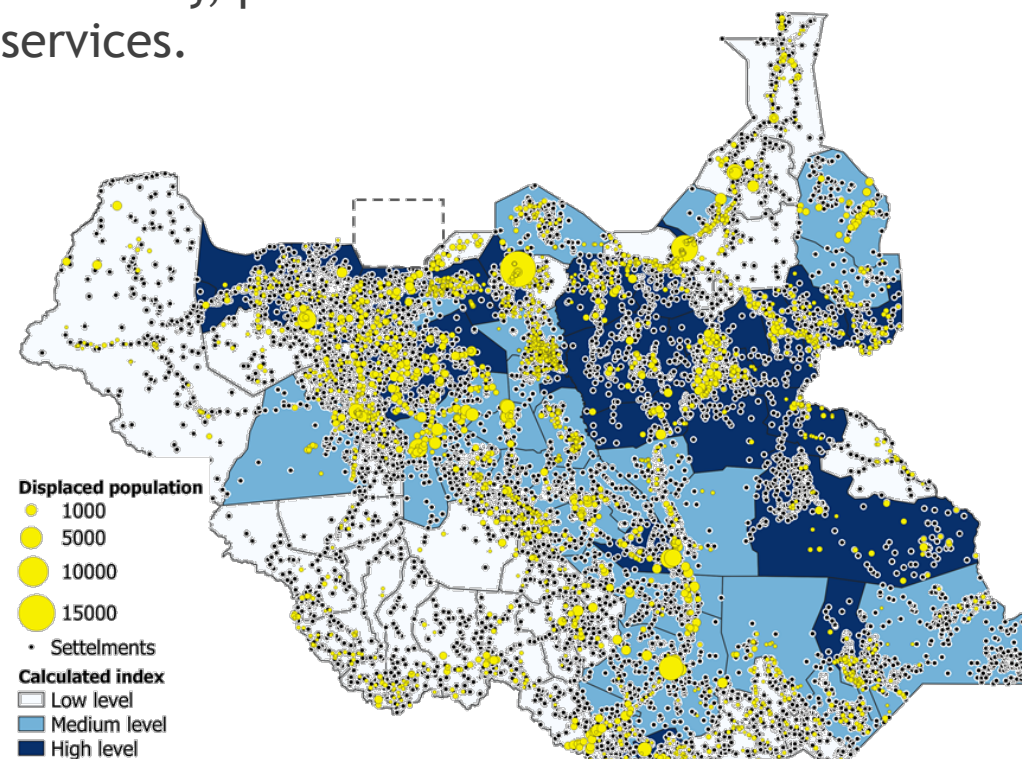
Why? Transition from humanitarian aid to agricultural growth starts with empowering its rural population, rebuilding human and social capital, reduce poverty and enhancing resilience at the community level.

How?

- ▶ Improving access to **community infrastructure**
 - ▶ Community driven development (CDD) for community coherence and planning of community investments, e.g. with cash-for-work mechanisms options
 - ▶ Village Savings and Loan Associations (VSLA) or Village Economy Market Saving Associations (VEMSA) to access financial resources
- ▶ Enhancing capacity in **community dialogue, conflict resolution and women empowerment** (ex. Dimitra Clubs)
- ▶ Establishing or strengthening responsive and accountable **local institutions**

Where?

Priority areas defined by poverty incidence, food insecurity, presence of IDPs and limited access to basic services.



Strategy 3: Value chains development & jobs

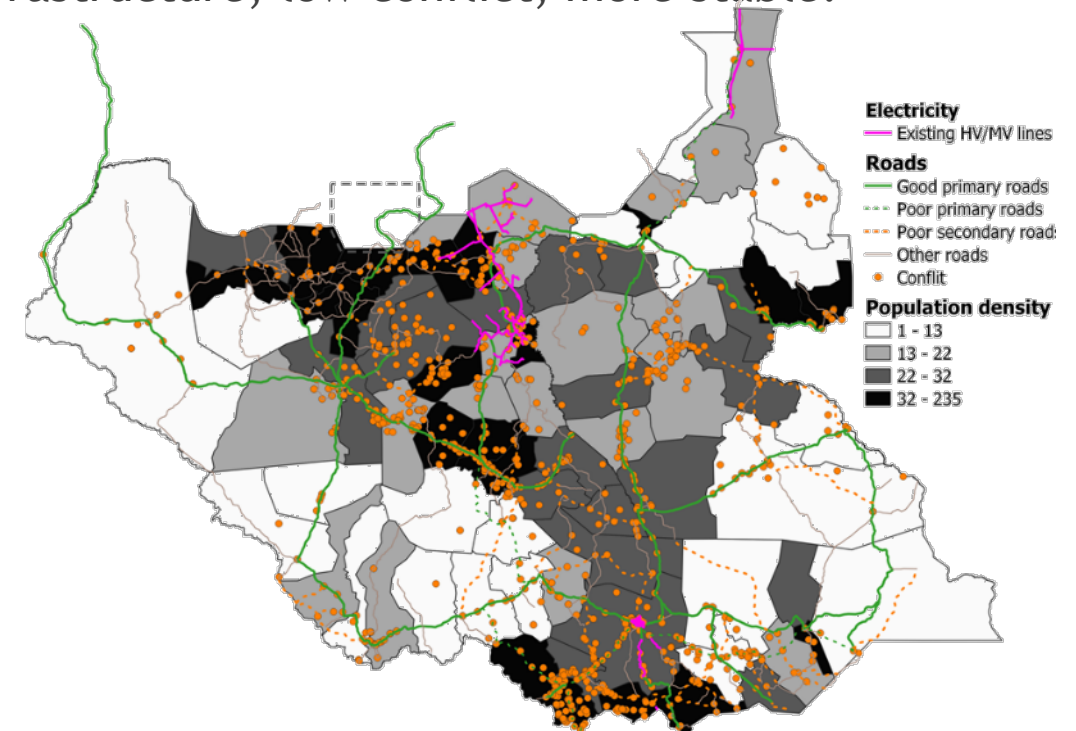
Why? Developing food systems in fragile situations requires investments and knowledge beyond primary production, especially mechanisms to support the growth of agribusinesses and food markets.

How?

- ▶ Supporting agribusiness, value addition and job creation in agriculture
 - ▶ Off-farm investments in productive post-harvest activities, aggregators, processors
 - ▶ Strengthening producers' organizations, including cooperatives
 - ▶ Fostering existing value chains
- ▶ Innovative Access to finance and market information
 - ▶ solutions depend on the target groups and local context: grants, MFIs, VLSAs
 - ▶ mobile payment and transfer systems
- ▶ Investments in rural roads, water management, solar energy (off-grid) and processing

Where?

Priority areas defined by agro-ecological potential, existing supply potential, proximity to urban markets and infrastructure, low conflict, more stable.





Strategy 4: Peace consolidation

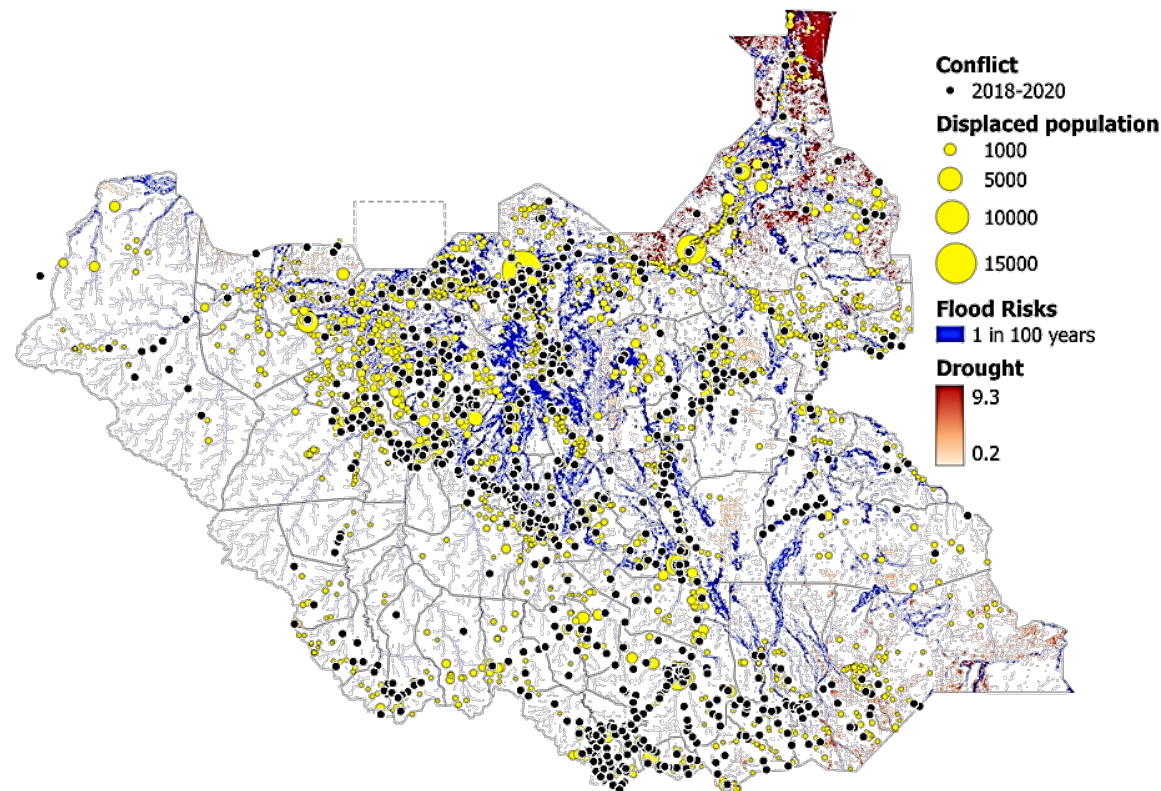
Why? Overcome subnational and local violence through addressing some root causes of conflicts that are related to agriculture and rural sectors.

How?

- ▶ **Negotiated territorial development and conflict resolution**
 - ▶ Building on mechanisms for peace-making (support dialogue; train mediators);
 - ▶ Deepening the diagnosis about the situation;
 - ▶ Help Solving most critical issues, e.g. access to natural resources, conflicts between herders and farmers.
- ▶ **Building capacities to document and protect land tenure rights**
 - ▶ Government capacity building;
 - ▶ Implement pilots in selected areas;
 - ▶ Develop legal guidance.

Where?

Priority areas of intervention based on conflict, IDPs, natural risks, plus livestock migration routes.

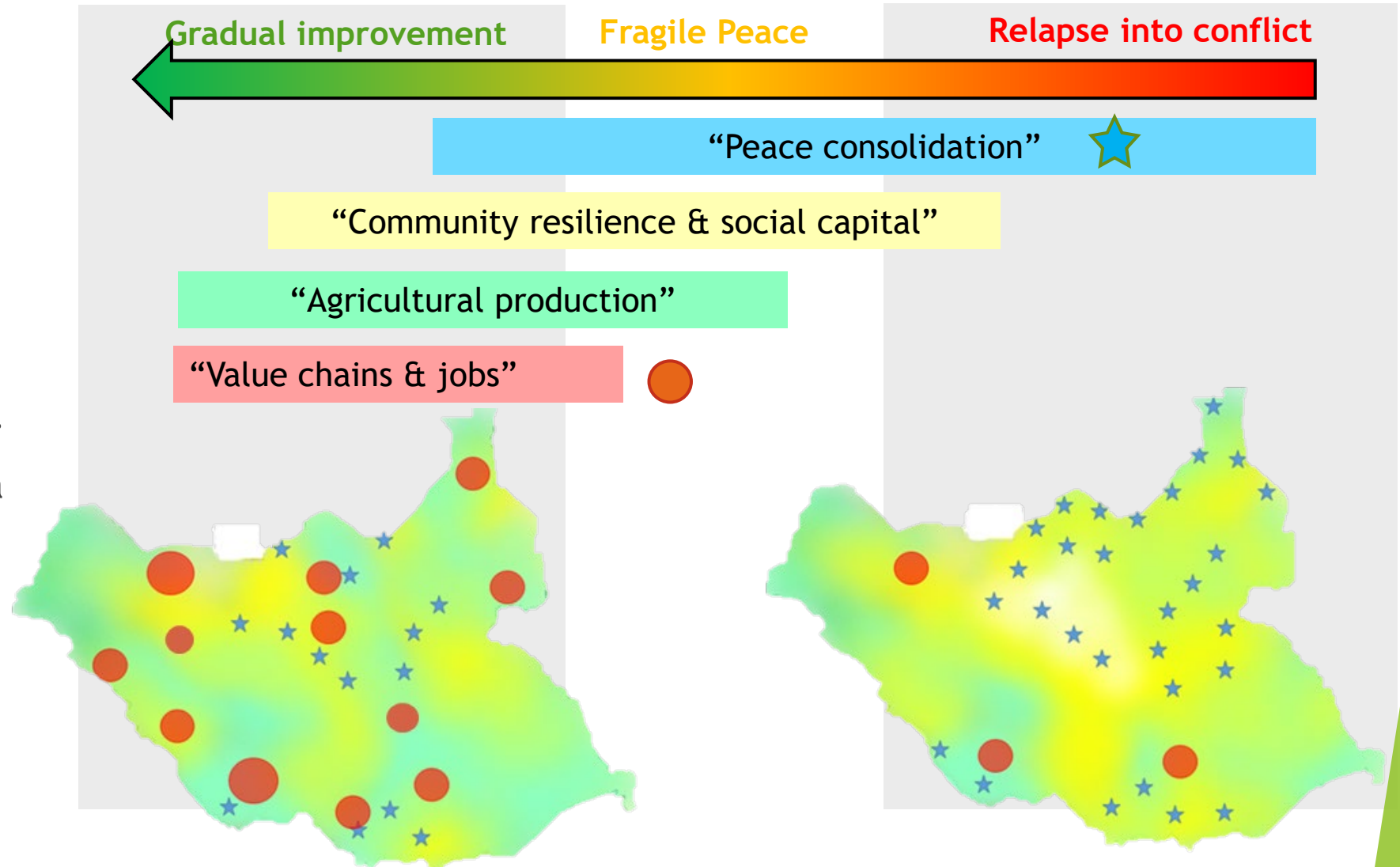




4. Conclusion and way forward

Conclusion: blending investment strategies over time and space subject to security situation (1/2)

- ▶ Given the unpredictable development context, need for **flexible and adaptive** ways to **combine investments** along these four **complementary and interrelated strategies**.
- ▶ The maps visualize in a simplistic way how strategies can be blended over time and space depending on how **security and peace** evolve.



Conclusion: blending investment strategies over time and space subject to security situation (2/2)

- ▶ A **conflict sensitive approach** is essential to carefully plan, design and implement investment strategies, which can in turn bring **peace dividends**.
- ▶ Besides conflicts, successful investment outcomes will depend on **risk management** of:

Governance & policy reforms

Land tenure insecurity

Elite capture

Gender inequality

Natural disasters

Macro-economic instability

Low consumer demand

Infrastructure & services

Use of the work and way forward

1. Source of knowledge for investment

- Rapid food system assessment with EU
- GAFSP Proposal - MAFS / IFAD / FAO
- Feed implementation of RALP / Locust Projects

2. Way forward

- Policy dialogue - today and further
- Economic Diversification agenda of the National Development Plan
- Resource Mobilization - National budget and external sources

THANK YOU

.... Contacts for more info:

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