ZAMBEZI RAINFED AGRICULTURE INVESTMENT FORUM

Attracting finance to Africa's rainfed agriculture to build climate resilience. 8 – 9 August 2023, Gaborone International Convention Centre, Botswana.















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Executive Summary

On the 8th and 9th of August 2023, the Zambezi Rainfed Agriculture Investment Forum was held in Botswana at the Gaborone International Convention Centre. Over 80 participants from diverse backgrounds and affiliations from 17 countries gathered for discussions and collaborations. Participants brought forth a rich tapestry of experience and knowledge from both the public and private sectors. The participation of the private sector in an event of this nature is relatively rare and demonstrated its importance for driving investments into Africa's rainfed agriculture bridging the gap between policy, research, and practical implementation. By co-convening this event, SIWI not only fostered knowledge exchange but also facilitated tangible actions and partnerships that can transform the African rainfed agriculture landscape. The diversity of participants reflected the global interest and agency to address the challenges and opportunities in rainfed agriculture and water management.

Firstly, there was a recognition of the pivotal role played by rainfed agriculture and smallholder farmers in the Zambezi region, underlining the urgency to invest in enhanced rainfed agricultural practices to safeguard food security. In sub-Saharan Africa's expansive agricultural landscape, 80 percent of farmers operate at the small-scale level, forming the foundation of the region's farming sector. Their efforts not only create the bedrock of food production but also serve as a lifeline for rural communities. This calls for tailored support and strategic investments that can empower smallholder farmers, elevate their agricultural output, and ultimately enhance food security across the continent.

Secondly, across Africa, more than 95 percent of food production relies on rainfed agriculture. Paradoxically, this sector receives only 5 percent of public agricultural water investments, signaling a profound imbalance in resource allocation. This stark difference highlights the urgent need to shift our investment focus significantly. Investing in and strengthening rainfed agriculture presents a compelling value proposition. By harnessing this potential, Africa can significantly increase its food production and enhance resilience in the face of climate-related challenges. This strategic approach brings the continent closer to the crucial goal of eliminating hunger and establishing sustainable food systems for its growing population. Bridging this investment gap is not just a necessity; it's a transformative opportunity for the continent's agricultural future.

Participants at the forum reiterated the significance of addressing the socioeconomic challenges facing local communities as a means of fortifying their resilience against climate change-induced shocks. Policymakers from riparian states shared insights, shedding light on effective strategies and policy challenges associated with supporting smallholder farmers. Enhanced rainfed agricultural practices such as Deep Bed Farming (DBF), Conservation Agriculture (CA), Pfumvudza and rainwater harvesting technology (RWHT) emerged as promising solutions, showcasing innovative approaches to simultaneously enhance agricultural productivity and environmental sustainability and resilience.

Monetizing environmental benefits, particularly through payments for ecosystem services and carbon credit projects, offered an avenue for financial support to smallholder farmers. Private sector engagement was a central theme, emphasizing sustainable and inclusive business models to empower smallholder farmers. Collaboration among stakeholders, spanning NGOs, enterprise companies, the private sector, and governments, was recognized as fundamental for the expansion of investments in enhanced rainfed agriculture.

The forum's culmination in a Call to Action, outlining a collective intent and roadmap for future endeavours, underscored a shared commitment to advancing rainfed agriculture and climate resilience across the Zambezi watercourse. These discussions provided a thorough overview of the intricate challenges and possibilities in the region. They underscored the importance of working together to implement effective solutions. The call to action and statement of intent outlined the intentions of the Zambezi Watercourse riparian states and the subsequent next steps to harness the potential of rainfed agriculture in Africa.



Image 1: Participants of the Zambezi Rainfed Agriculture Investment Forum

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Acronyms

СА	Conservation Agriculture
CIFOR-ICRAF	Centre for International Forestry Research and World Agroforestry
СОМАСО	Community Markets for Conservation
CSA	Climate-Smart Agriculture
СТДТ	Community Technology Development Trust
DBF	Deep Bed Farming
DFI	Development Finance Institution
FACHIG	Farmers Association of Community Self-Help Investment Groups
GPW-SA	Global Water Partnership - Southern Africa
MFI	Microfinance Institution
NGO	Non-Governmental Organization
PES	Payment for Ecosystem Services
РРР	Public-Private Partnerships
RWHT	Rainwater Harvesting Technology
SACCO	Savings and Credit Cooperative scheme
SIWI	Stockholm International Water Institute
SSA	Sub-Saharan Africa
TIARA	Transforming Investments in African Rainfed Agriculture
ZAMCOM	Zambezi Watercourse Commission

Introduction

The Zambezi Rainfed Agriculture Investment Forum was convened with a clear set of objectives and commitments to address the challenges and opportunities surrounding enhanced rainfed agriculture in Sub-Saharan Africa (SSA). It was convened by the Zambezi Watercourse Commission (ZAMCOM), co-organized by the Stockholm International Water Institute (SIWI), Global Water Partnership -Southern Africa (GWP-SA), Centre for International Forestry Research and World Agroforestry (CIFOR-ICRAF) and hosted by the Ministry for Lands and Water Affairs of the Republic of Botswana. It brought together key players in the agriculture sector including policymakers, private investors, financial institutions, and development partners.

The forum was held as part of the Transforming Investments in African Rainfed Agriculture (TIARA) initiative, which supports ZAMCOM. ZAMCOM's Strategic Plan, which directs the basin's development through 2040, identifies the 'Livelihoods Support' Pillar, which includes integrating the development of investment initiatives into improved rainfed agriculture.

Eighty percent of the agricultural activities carried out in SSA are undertaken by smallholder rainfed farms. However, the smallholder farmer engaged in rainfed agriculture in Africa is largely neglected by the financial institutions and remains invisible in agricultural development policies at the national and regional levels. The main barrier to accelerating enhanced rainfed agriculture is thus a lack of investment. Most farmers struggle with low levels of infrastructure, inadequate advisory services, and poor access to capital and markets. Most smallholder farmers do not have access to credits for even small-scale investments in conservation agriculture. Barriers to overcome to accelerate investments include secure land tenure, strengthened agricultural value chains and partnerships with investors, including the private sector. The adoption of climate-smart agriculture practices yields substantial long-term benefits for farm households. Beyond the immediate increase in yields, these practices significantly reduce yield variability, enhancing the stability of production and the resilience of the livelihoods of farming communities against the adverse impacts of climate change.

Forum's goals and objectives

The forum's goal was to attract finance to Africa's rainfed agriculture to build climate resilience by bringing together key players in the agriculture sector, including policymakers, investors, financial institutions, and development partners. The three main objectives to support the goal of the forum were:

- 1. Exchange knowledge and experiences on approaches to attracting finance to rainfed smallholder farming in Sub-Saharan Africa,
- 2. Influence policymakers in various public institutions across the Zambezi Watercourse, and
- 3. Establish partnerships and funding opportunities for participants.

The event featured panel discussions, presentations, keynote speeches, and networking sessions, providing participants with opportunities to learn, share experiences, and forge partnerships.



Key Themes and Discussions

The forum provided a platform for valuable insights, discussions, and commitment to transforming rainfed agriculture in Sub-Saharan Africa. Several key themes emerged.

Significance of Rainfed Agriculture

The forum emphasized the crucial role of enhanced rainfed agriculture in Africa's food security. Given that more than 95 percent of the continent's food production depends on rainfed systems, the importance of this sector cannot be overstated.

Small-Scale Farming Empowerment

A recurring theme was the critical role played by small-scale farmers, who constitute 80 percent of the agricultural landscape in Sub-Saharan Africa. These farmers are the backbone of food production and rural livelihoods, necessitating tailored support to enhance their productivity and resilience. The smallholder farmer is the frontline water manager of Africa. Their actions on the field lead to multiple benefits, improving water resources by reducing runoff, increasing groundwater infiltration, and reducing soil erosion and sedimentation. The forum recognizes the farmer's catchment management roles in the sector where on a large scale, all their small-scale activities collectively have a significant impact on catchment management.

Climate-Smart Agriculture

Climate-smart agricultural practices such as Deep Bed Farming (DBF), conservation agriculture (CA), rainwater harvesting technologies (RWHT), and the Pfumvudza concept were highlighted as crucial components of enhancing rainfed agriculture's sustainability and resilience.

Policy Advocacy and Reforms

Discussions centred around the importance of policy reforms to create an enabling environment for enhanced rainfed agriculture. Policymakers, NGOs, and stakeholders engaged in advocating for supportive regulations that encourage enhanced rainfed and climate-smart agricultural practices and investments.

Private Sector Engagement

The engagement of the private sector was acknowledged as one of the key drivers of investment and innovation in rainfed agriculture. Speakers and panelists highlighted innovative financing mechanisms and business models that can catalyze growth in this sector such as carbon markets and Public-Private Partnerships (PPPs) using anchor farmers.

Collaborative Action

The forum emphasized the importance of partnerships, knowledge sharing, and collaborative action. Policymakers, farmers, civil society, and private sector representatives actively discussed collaborative strategies to advance enhanced rainfed agriculture during the world café and roundtable discussions.

The role of NGOs

The NGOs' purpose at the forum was to present their engagements with small-scale farmers in the pilot sites throughout the Zambezi region to demonstrate the potential of enhanced rainfed agriculture. When households adopted improved rainfed agriculture techniques, yields increased and there were several environmental advantages indicated, including a reduction in the risks associated with climate change and threats to biodiversity. Additionally, the NGOs also detailed the financing shortages and policy difficulties they faced.

Focus on Sessions

The forum activities included a set of sessions and discussions aimed at addressing the challenges and opportunities in rainfed agriculture. The forum's opening plenary set the stage, emphasizing the importance of rainfed agriculture, and introducing key stakeholders. Thematic sessions delved into issues such as improving livelihoods in riparian states, climate-smart agriculture practices, financing rainfed agriculture, and forging partnerships with the private sector.

Presentations and panel discussions shed light on sustainable solutions such as DBF, CA, RHWT and low-cost farm wells. These solutions were shown to have the potential to strengthen food security, reduce poverty, promote gender equality, and enhance climate resilience. They work by slowing down the flow of water across the land after rainfall, improving water infiltration, and ensuring water availability for plants, especially during dry periods.

The discussion and presentations included traditional and market-based financing instruments for rainfed agriculture, with a specific focus on Payment for Ecosystem Services (PES) and Carbon markets. Real-world examples of PES projects were presented, highlighting their potential to create win-win situations by compensating farmers for ecosystem services, such as regulation and provision of water, ultimately benefiting both agricultural and environmental sectors.

The World Café meet and greet encouraged networking and collaboration among participants, fostering potential investments and partnerships. Throughout, the forum spotlighted the critical role of rainfed agriculture in Africa and the need for strategic actions to support its sustainable growth and development.

Session 1: Perspectives from the local partners working on enhanced rainfed agriculture practices. What policy challenges do they face and what are their financial needs?

This session provided a platform for organizations actively engaged in enhanced rainfed agriculture practices in Malawi, Zimbabwe, and Zambia to share their insights. The organizations included Tiyeni, Community Markets for Conservation (COMACO), Community Technology Development Trust (CTDT), Farmers Association of Community Self-Help Investment Groups (FACHIG) and Meta Meta SMART Centre Group.

The organizations showcased local innovations and practices in enhanced rainfed agriculture that have proven successful in increasing crop yields, improving soil health, and preserving "green water". Green water refers to the part of rainwater that falls on a crop, percolates into the ground, is stored in the top layers of soil, and is then accessible for transpiration by plant roots. The innovations to conserve green water include DBF from Tiyeni, the Pfumvudza concept by Fachig which is an improved version of CA and RWHT by CTDT.

The NGOs highlighted several policy challenges and financial needs related to the adoption of enhanced rainfed agriculture practices. They highlighted issues with current policies, such as a focus on fertilizer subsidies at the expense of CSA technologies. Resource constraints, equal treatment of technologies, low priority to support CSA high-impact initiatives like the DBF system, low funding to implement agriculture and climate change management policies, limited mechanization access (breaking the hard pan for DBF), and training shortfalls were also identified as policy challenges.

In terms of financial needs, the NGOs outlined specific requirements for their CSA initiatives, including funding for training materials, extension worker training, farmer groups, and database development. Additionally, they emphasized the importance of continued support from donors and funding for various projects related to CSA promotion. All these challenges and financial needs are essential considerations for advancing enhanced rainfed agriculture in the region.

Meta Meta SMART Centre Group's presentation highlighted cost-effective, local technology-driven private farm wells for rural areas, emphasizing their potential to boost crop yields, income, and gender equity. It discussed funding opportunities and the transformative impact of these solutions in advancing Sustainable Development Goals in the Zambezi River Basin.

Please refer to Annexure A on page 20 for more details.

Session 2: Financing rainfed agriculture practices - focus on monetizing environmental benefits

The session, led by Lydie Menouer from Maryll Consulting, aimed at supporting the shift from small-scale rainfed farming being perceived as an 'aid recipient' to small-scale farming becoming an 'investment powerhouse.' Indeed, sustainable rainfed farming practices generate environmental benefits that can serve as conduits for attracting much-needed investments for small-scale farmers.

After an overview of the main traditional carbon and climate financing instruments, (predominantly reliant on government balance sheets), the session focused on 'market-based' instruments, particularly PES and the Carbon markets (as a type of PES).

During the session, two examples of PES projects were presented:

- First, Michael Misiko, Agriculture Director for Africa at The Nature Conservancy, showcased a PES mechanism based on a Water Trust fund model. This model entails farmers receiving remuneration for offering ecosystem services that directly benefit major economic stakeholders like Water Boards which in return pays for these services.
- The second PES example was presented by Mr. Edward Zulu, monitoring and evaluation director for COMACO, on their experience in PES carbon credit projects and their partnership with Acorn (a carbon platform of Rabobank) to target equitable redistribution of revenues generated from carbon credits.

Based on these examples, private sector leaders, such as Carbon Group Neutral (represented by Gray Maguire, AgriCarbon programme lead) and BOOMITRA (represented by Aadith Moorthy, CEO), as well as researchers and policy advocates, including Dr Patricia Masikati (Agroforestry Systems Scientist for CIFOR-ICRAF) and Assan Ng'ombe (resilient expert for Alliance for a Green Revolution in Africa), actively participated in dynamic discussions on how to scale up these projects in the region.

The session ended with the following key takeaways:

Huge Potential – Mostly Untapped:

• PES mechanisms, particularly PES carbon credit projects, offer a colossal opportunity to unlock massive investments to directly benefit farmers on the ground. As of April 2023, the Working Group on Carbon Markets, launched by the Africa-Europe Foundation, declared, "*Carbon credit markets have the potential to be the next biggest export for the African continent.*"

• Only a few nations, are effectively seizing the opportunities presented by Article 6 of the Paris Agreement. This article serves as the foundation for cooperation between Europe and Africa, enabling countries to transfer carbon credits obtained through greenhouse gas emission reductions to assist other nations in meeting their climate objectives. This mechanism has the potential to empower Africa to leverage its abundant natural resources and access the regulated European market.

Nevertheless, practical challenges persist:

- Project development costs resulting from data scarcity and high verification expenses, have been brought to light. Carbon projects necessitate meticulous alignment of various parameters to ensure that they genuinely benefit all stakeholders and to create a 'win-win'. Private sector developers in the panel emphasized that "*carbon credit projects are much more complicated than rocket science*."
- These high costs associated with project development often favour largescale projects, potentially overshadowing smaller yet often more efficient initiatives. These costs also raise vital questions concerning the equitable distribution of generated revenues among farmers and their communities, emphasizing the need for robust local governance mechanisms.

Absence of clear frameworks and supportive policies:

- A major bottleneck identified during the session was the lack of welldefined frameworks and supportive policies. The Zambezi region, in particular, lags behind other African regions like East or West Africa in terms of regulatory advancements, which has hindered the potential for projects and investments.
- Recent announcements by the Zimbabwean government, claiming a share of carbon credit revenues generated by projects, highlighted issues related to land ownership and the ownership of any potential environmental benefits derived from land use.
- Zimbabwe's recent announcement also underscores the need for governments to consult with private sector partners and stakeholders.
 Failing to do so would discourage private sector involvement, potentially harming the economic viability of these projects.

Session 3: Overview of Private Sector participation: financing mechanisms, models within the value chain and Reflections from World Café table hosts

The session on Financing Rainfed Agriculture for Smallholder Farmers, facilitated by Arleen Mitchell, founder of MS Innovation Lab, brought together a diverse group of experts and practitioners to explore financing mechanisms and matchmaking opportunities in the context of enhanced rainfed agriculture. The session was divided into two parts:

Part 1: Financing Models

The session kicked off with a presentation of a financing model for smallholder farmers. The session host/facilitator guided participants through the intricacies of financing in the agricultural sector, shedding light on innovative approaches to securing funding for smallholder farmers. These included PPP, Factoring, Purchase order finance, equity financing, grants, and carbon finance. The providers of these forms of financing models were identified ranging from Savings and Credit Cooperative schemes (SACCO), Community Banks, Warehouse Receipting Systems, Microfinance Institutions (MFIs), Development Finance Institutions (DFIs), Debt forgiveness, Input Seller or Distributors, Anchor Farmer/ Government, Private investors, and Philanthropies among others. This part served as a foundation for the subsequent discussions.

During the panel discussion, speakers from SoilWatch, Agrikool, Kickstart, the Ministry of Finance and National Planning for Zambia, Solidaridad Network and Absa Bank discussed financing mechanisms that sustain their agricultural ventures. They also discussed the prerequisites to help attract private investments. This exchange provided a comprehensive understanding of the challenges faced by potential investors and possible ways forward. The discussion explored the strategies employed by these private sector actors to raise capital, highlighting the financial mechanisms and partnerships that sustain their agricultural ventures. Dr. Chanda, Public Private Partnership Senior Development Officer, Ministry of Finance and National Planning in Zambia made a detailed presentation of a Public-Private Partnership model, with a focus on financing an anchor farmer overseeing an outgrower scheme.

Part 2: World Café Method in Plenary

The second part of the session employed the World Café method in a plenary setting. Participants were seated in small table groups, creating an informal café-like atmosphere conducive to open discussion. The focus here was on matchmaking opportunities between various stakeholders, including NGOs, private companies, potential investors, and collaborators. Each group engaged in discussions, sharing insights and experiences related to financing mechanisms used to sustain their agricultural businesses.

Notably, this session bridged the private sector with government officials and development experts, fostering an environment conducive to catalyzing investments in rainfed agricultural projects. Discussions unfolded around the tables, extending into the lunch break, underscoring the enthusiasm and commitment of attendees. It was agreed that documenting the progress and outcomes of these discussions would be pivotal in facilitating potential investments in the rainfed agriculture sector.

Prospects

The forum proved pivotal in addressing the challenges and opportunities surrounding African rainfed agriculture. The potential for growth and impact lies in continuing and sustaining engagement among the diverse stakeholders from the forum, including governments, the private sector, NGOs, and development partners. Scaling successful rainfed agriculture initiatives, sharing crucial knowledge, advocating for supportive policies, broadening participation, and achieving measurable impacts are key prospects for the forum's future.

The follow-up has been robust. Potential investments which are a direct result of the investment forum have been identified.

- A direct outcome of the World Café is the discussion of a potential Public-Private Partnership between government officials, a private –sector entity as well as an NGO
- Attendees from a leading financial institution mentioned the need to look at financing more women in the agribusiness sector.
- A grant from Callisto Grand, a corporate credit advisory and conference company based in the Czech Republic, is scheduled to be received on October 11, 2023. The exact amount of the grant, which will be allocated to Tiyeni, is yet to be determined.

Next steps and Action Plan:

• Establish clear linkages between NGOs, farming cooperatives, outgrowers, SACCOs, community banks, village banks, and investors. This collaborative network will help facilitate investment throughout the rainfed agricultural value chain.

- Streamlining NGO Presentations: Collaboration with the four NGOs involved will be streamlined to present their initiatives effectively to potential donors. This will involve refining their pitches and aligning them with the priorities and expectations of prospective supporters.
- Documentation and Follow-Up Process: A structured process will be instituted to document and follow up with forum attendees. This approach will ensure that the valuable insights and commitments made during the event translate into tangible actions.
- Portfolio of Investment Opportunities: A portfolio showcasing potential rainfed agricultural investment opportunities will be compiled and presented to investors. Notably, this could include engaging with initiatives like the Water Equity Fund in Nairobi, aligning with their goals and strategies.
- The Zambezi Watercourse Council of Ministers will receive the statement of intent or call to action (annexure B) at their next regular session. Ministers from member states who oversee water resource management make up the Council of Ministers.

Conclusion

The forum laid a strong foundation for addressing the pressing issues related to rainfed agriculture in Africa. Its prospects are promising, contingent upon sustained commitment, collaboration, and a proactive approach to addressing the challenges faced by small-scale farmers in the region. The discussions and conversations started at the forum have the potential to drive transformative change and contribute significantly to enhancing food security and livelihoods across Africa.

The Zambezi Rainfed Agriculture Investment Forum was a necessary step in addressing rainfed agriculture issues in sub-Saharan Africa. It highlighted the need for investment, knowledge sharing, and partnerships to enhance the sector. The forum resulted in new collaborations, discussions on financing tools, and a commitment to ongoing action. To tackle climate change and food security, sustained efforts and investments are vital, making this forum a catalyst for resilient and sustainable food systems in Africa.

The forum was a practical catalyst for actionable outcomes and collaborations with a significant impact potential on rainfed agriculture in Africa. Key highlights included discussions on diverse financing tools, emphasizing the need for various funding sources, including private sector involvement through market-based approaches like PES, carbon credit projects, and innovative investment models. Public-private partnerships were also explored, aiming to channel private sector resources into rainfed agriculture, especially through value chain partnerships and investment initiatives.

Knowledge sharing and capacity building were crucial outcomes, focusing on disseminating best practices, enhanced rainfed and climate-smart agricultural techniques, and innovative financing mechanisms for empowering small-scale farmers. Collaborative training programs and knowledge exchange were seen as vital next steps to address on-ground policy challenges and ensure widespread access to knowledge and best practices. The forum provided a platform for advocating policy changes, emphasizing the importance of policies recognizing rainfed farming, allocating adequate resources, and promoting enhanced rainfed and climate-smart agriculture practices like DBF, Pfumvudza, and RHWT.

Regional cooperation among riparian states along the Zambezi Watercourse was fostered, enabling the sharing of experiences, insights, and challenges, leading to opportunities for joint initiatives and coordinated efforts in support of rainfed agriculture. The forum culminated in a decisive Call to Action (annexure B), delineating a clear roadmap for future endeavours. This statement of intent reflects the commitment of the Zambezi riparian states to drive change, invest in rainfed agriculture, and collaborate vigorously to achieve food security and climate resilience in the region. The call to action or statement of intent will be presented to the Zambezi Watercouse Council of Ministers at their next sitting. The Council of Ministers comprises of Ministers from member states handling water resource management portfolio. The council meet once annually in ordinary session to adopt and provide policy guidance or approve recommendations from technical committees.

The forum's significance lies in its ability to bring together a diverse array of stakeholders, leveraging their expertise to forge collaborations poised to transform rainfed agriculture in Africa. These practical outcomes and initiatives underscore a collective dedication to realizing the sector's full potential, ultimately benefiting millions throughout the region. Participant feedback during the forum conveyed a sense of surprise and appreciation for the forum's exclusive focus on rainfed agriculture, a sector that typically receives less attention and funding compared to irrigation. Some participants were pleasantly surprised that such a forum existed, recognizing its vital role in shedding light on often overlooked yet crucial aspects of agriculture. Additionally, participants stressed the importance of positioning the TIARA Initiative and the Zambezi Rainfed Agriculture Investment Forum as advocates for enhanced rainfed agriculture, without appearing to be in opposition to irrigated agriculture. This feedback highlights the need to clarify the forum's mission and objectives, emphasizing its role in complementing and enhancing broader agricultural efforts and promoting inclusive and sustainable approaches across the entire agricultural spectrum.

Videos of participants sharing reflections during the forum in Gaborone

Zachary P. Stewart, Technical Advisor, USAID Poniso Shamukuni, farmer and chair of Chobe Enclave Conservation Trust Palesa Motaung, co-Founder of AgriKool William Kapele, Chief Agriculture Engineer at the Ministry of Agriculture in Botswana Naomi Mcharo, Irrigation Engineer, Ministry of Agriculture Tanzania Xanani Baloyi, Programme Officer, SIWI Leonissah Abwino-Munjoma, Programme Manager, Zambezi Watercourse Commission (ZAMCOM) Laura Danga, Program Coordinator, Africa Water Investment Programme at Global Water Partnership Southern Africa Ofentse Wena Lesego, Environmental Consultant and Master's student in Natural Resource Management: Water resources and Hydrology, University of Botswana



Image 2: ZAMCOM Member States representatives from Angola and Mozambique



Image 3: Participants engage during the 'World Café' discussions.

NGOs Policy challenges and financial needs

The NGOs highlighted several policy challenges and financial needs related to the adoption of Climate-Smart Agriculture (CSA) practices and enhanced rainfed agriculture.

Tiyeni

Policy challenges:

- The dominant focus on fertilizer subsidies diverts attention from other CSA technologies.
- Tiyeni faces resource constraints for CSA research and promotion.
- Equal Treatment: Policy treats all technologies equally, hampering high-impact initiatives like DBF.
- CSA initiatives like DBF receive low priority in policy.
- Inadequate funding for policy implementation hampers Tiyeni.
- Limited access to mechanization tools poses a barrier.
- Inadequate funding for training extension workers and farmers in CSA.

Financial needs:

- \$3M for DBF training materials.
- \$300K for training 2K government workers in DBF.
- \$400K for 100 DBF farmer groups' Farm Business School.
- Funding for a National DBF Database.
- Continued support from individual donors.

CTDT

Policy Challenges:

- Farmers and extension staff lack training in CSA practices.
- Some CSA practices are labour-intensive and not suitable for all demographics.
- Essential CSA aspects like diversification and soil management aren't prioritized.

Financial needs:

- Resources for training and Rol calculation.
- Equipment like moisture meters and smartphones.
- Funding for soil fertility improvement.
- Support for demonstration plots, field days, and policy advocacy.
- Mobility support and staff costs.

NGOs Policy challenges and financial needs (Cont.)

Fachig

Policy challenges:

- The Farm Input Subsidy Program worsens farmer dependency.
- Agriculture in the Zambezi Basin faces resource destruction.
- Women and smallholders face food insecurity and labour exploitation.
- Seed laws weaken local seed systems.

Financial Needs:

- \$808.9K for engaging 12.6K farmers and \$200K admin costs yearly.
- \$1M per year for managing 6K hectares.

COMACO

Policy Challenges:

- Subsidized inputs increase farmer dependency.
- The absence of suitable markets hinders proper practices.
- Historical policies favour large players, hindering sustainable practices.

Financial Needs:

- Resilient Seed Varieties and Training Tools: To facilitate this shift, we require resilient seed varieties and efficient training tools. This includes investments in video production, Farm Talk radio broadcasts, and training manuals. These tools enhance the understanding and appreciation of new agricultural practices. The estimated cost for this essential component is \$120,000.00.
- Agroforestry Upscaling: Scaling up agroforestry efforts to benefit 100,000 farmers is crucial for harnessing soil carbon benefits and achieving sustainable agriculture. Allocating \$1,300,000.00 for this initiative will create significant opportunities for soil carbon sequestration, contributing to climate resilience.
- Crop Revolving Fund: To incentivize the adoption of climate-smart agriculture practices, a revolving fund dedicated to supporting premium markets for surplus crops is essential. This fund, with a budget of \$500,000.00, will promote sustainable farming while ensuring farmers receive fair compensation for their efforts.

All NGOs face reduced donor funds, budgetary challenges, and macroeconomic instability. Addressing these issues is crucial for promoting climate-smart agriculture and food security.

Enhancing rainfed agricultural systems in the Zambezi Watercourse

Statement of intent

Preamble

The Zambezi River Basin has an estimated population of 47 million people, many living in rural areas and in extreme poverty. With further population increases and risks of climate change, there is an urgent need to push enhanced rainfed agricultural practices towards large-scale impact and widespread adoption. This requires overcoming multiple obstacles but chiefly around a lack of information, evidence, awareness, behaviour, and access to finance. The Transforming Investments in African Rainfed Agriculture (TIARA) initiative challenges the status quo of African agriculture by advocating for improved green water management. It pilots new business models to attract financing to scale up investments in sustainable rainfed agriculture by the private sector to enhance the resilience of small-scale farmers and ecosystems in the Zambezi basin.

Stockholm International Water Institute (SIWI), a global non-profit institute headquartered in Sweden, focuses on promoting good water governance in key sectors, such as agriculture. SIWI generates and promotes evidence-based governance solutions and tools leading to water-wise decisions for equitable, prosperous and sustainable futures, reflecting the central role of water in achieving the SDGs. TIARA is led by SIWI's Africa Regional Centre based in South Africa. While TIARA is a pan-African initiative, it specifically advocates for investments in rainfed agriculture within the Zambezi basin region. TIARA has formed a partnership with the Zambezi Watercourse Commission (ZAMCOM), representing the interests of eight riparian states: Angola, Botswana, Malawi, Mozambique, Namibia, Tanzania, Zambia, and Zimbabwe, and with local NGOs (CTDT, COMACO, Fachig, Tiyeni) in Malawi, Tanzania, Zambia and Zimbabwe that are spearheading enhanced rainfed agricultural practices together with local communities in five selected hotspots.

Statement by Participants in Zamcom Investment Forum on Accelerating Investments in Enhanced Rainfed Agriculture

We, the ZAMTEC Members in the ZAMCOM Investment Forum on Enhanced Rainfed Agriculture:

- acknowledge that we are uniquely placed to channel finances to activities that promote enhanced rainfed agriculture.
- understand that there are many unaddressed rainfed agriculture financing opportunities in the Zambezi basin.
- will promote policies which support the attraction of multiple channels of finance to smallholder farmers for enhancing their agriculture practises and actively contribute to scaling up rainfed agriculture financing in the Zambezi basin.
- to the extent that resources allow, we will work towards tracking our deployment of rainfed agriculture finance in order to improve the return on investment.
- are willing to work with institutional and public financiers seeking to deploy climate finance in the Zambezi Basin.
- welcome the opportunity to share our experiences and acquire knowledge of successful business strategies for integrating rainfed agriculture across our financing operations.









