

DRIVING FOOD SYSTEM TRANSFORMATION IN SOUTH AFRICA VIA AGRITOURISM MARKETS



A UN FOOD SYSTEM SUMMIT INDEPENDENT DIALOGUE
JUNE 9, 2021

SUMMARY REPORT



ACKNOWLEDGEMENTS

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ACRONYMS

DALRRD	Department of Agriculture, Land Reform and Rural Development (South Africa)
FANRPAN	Food, Agriculture and Natural Resources Policy Analysis Network
FAO	Food and Agriculture Organization
GIAHS	Global Important Agricultural Heritage Sites
NDA	National Development Agency
UN	United Nations
UNFSS	United Nations Food Systems Summit
UNWTO	United Nations World Tourism Organization
V&A Waterfront	Victoria & Alfred Waterfront

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“The Food System determines who gets to eat and who does not; who can make a living from farming and who does not. It determines the income of farm workers, the price, the quality, the source of food on your shelves.¹”



Cuisine is widely recognized as a key ingredient in a country’s worldwide attractiveness. This cultural asset can play a key role within South Africa’s tourism sector strategy while being a catalyst for promoting initiatives and practices crucial for redefining its food systems²

¹ An Empty Plate. Why we are losing the battle for our food system, why it matters, and how we can win it back. Dr. Tracy Ledger, 2016

² Making Agritourism markets work for sustainable food systems in Sub-Saharan Africa, Research Concept Paper, AgriLuxe Marketing, FANRPAN et al, 2020



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A UNFSS INDEPENDENT DIALOGUE

A. Background

Objectives

AgriLuxe Marketing, FANRPAN, and No-Line Communications partnered to implement the dialogue on the role of agritourism markets in transforming food systems in South Africa. The webinar, which took place on June 9, 2021, had the following objectives:

- increase awareness and generate discussion among stakeholders on key market opportunities in the agritourism sub-sector to support all dimensions of food systems sustainability;
- identify key policy and program interventions to support maximizing agritourism market opportunities for transforming South Africa's food system; and
- generate interest in establishing an informal Agritourism Food Systems network for continued dialogue and action beyond the Summit.

"I look forward to the outcomes of the dialogue, which I believe will go a long way in contributing to our discourse and national positions." Ms. **Phindiwe Dingle**, Representative of the Director General, DALRRD

Target Audience

A range of stakeholders linked to the agriculture and tourism sectors were targeted, including representatives from

farming, tourism and hospitality, culinary, food and beverage associations, and representatives from academia, non-governmental organizations, financial institutions, and relevant development and government agencies.

A partial snapshot of the participants



Over 120 persons registered to the dialogue; 81 of whom participated. Most participants (64%) were from the private sector.

[#grow.local.sustain](#)



B. Dialogue Overview

The one-day dialogue was delivered via opening addresses, case study presentations, plenary and working group discussions. (See Box 1 below for an overview of the agenda).

Box 1: Agenda at a Glance

SETTING THE STAGE

- Opening remarks from DALRRD and FANRPAN
- Conceptual and operational frameworks related to agritourism and sustainable food systems

SESSION I – CASE STUDIES

- Learning lessons from 3 successful agritourism operations in South Africa

SESSION II – PANEL INTERVIEW

- Discussing the central role of chefs in bridging the gap between agritourism and sustainable food systems

SESSION III – PANEL INTERVIEW

- Discussing the role of education and innovation to maximize agritourism's market opportunities

SESSION IV – PANEL INTERVIEW

- Discussing access to land, finance, and value chain coordination – critical challenges in maximizing agritourism's market opportunities

SESSION V – WORKING GROUP DISCUSSIONS

- Exploring solutions to maximize agritourism's market opportunities to transform South Africa's food systems within 4 break-out groups

The working groups explored solutions based on three trending agritourism offerings: food festivals, indigenous food tours & nutritious fine dining using local ingredients; and the fourth focused on required ingredients for a next generation of innovative food systems

C. Sessions Highlights

Agritourism's Market Drivers

Two broad set of drivers were outlined: A broken food system on the one hand; and an increasing consciousness among

travelers related to health, social and environmental issues on the other.

The broken food system in South Africa is characterized by high food imports, a food industry concentrated in the hands of an elite few, limited access to affordable nutritious food, high rates of malnutrition and starvation. This brokenness means that there are ample opportunities to identify market-oriented solutions to produce food with healthier outcomes.

[#eat.local.sustain](#)



An increasing health, social, and environmental consciousness among consumers further creates market opportunities to support healthier food systems.

Box 2: What is Agritourism?

Broadly speaking, diverse commercial activities that connect domestic and international travelers to their food source. For the purposes of the dialogue, it must entail at least 5 factors:

- Increases farm incomes
- Engenders creation of sustainable jobs linking the agriculture and tourism sectors
- Promotes cultivation of diverse, nutrient laden foods
- Promotes environmental conservation
- Attracts the public to visit or be aware of agricultural operations

Making the case for Agritourism in South Africa in 1.2.3...

Three dynamic operations that promote agritourism highlighted the sub-sector's direct and multiple benefits to a sustainable food system.

1. **!Khwa ttu**, an award-winning San heritage and education center and thriving tourism destination, addresses the hopes and dreams of San Indigenous peoples all over southern Africa. The staff at !Khwa ttu have taken advantage of consumers' interests in nutrition, health, and wellness, and local culture to transform their restaurant's menu, which featured highly processed products supplied by large multinationals, to one developed with a connectedness to the land, its plants, animals, and its people. Every plate has a touch of indigenous culture, every ingredient tells a story, and every taste is unique, fresh, and "utterly delicious." Their signature eland burger has been rated on Tripadvisor as the "best burger in the world."

[#dine.local.sustain](#)



'Our decision to transform our menu has created a better understanding of sustainability, not only for our guests but also for our whole business.' **Mr. Michael Daiber, !Khwa ttu**

[#partner.local.sustain](#)



2. **Setšong African Tea Crafters**, an indigenous tea brand, uses flora from the natural landscapes of Limpopo province. The social entrepreneurs behind the brand leverage access to indigenous communities to craft products and services that offer superior health benefits while empowering cooperative members, comprised of youth and women, to participate in the tea and agritourism value chains. Through their tea tours they educate consumers on biodiversity resources in Africa, create awareness about indigenous knowledge systems, allow tea farmers to diversify and increase income streams, and create jobs in the hospitality and tourism sector.

[#drink.local.sustain](#)





“South Africa’s 30 million-strong tea drinking population are shifting allegiance away from their traditional favorite and opting for a home-grown choice that contains fewer toxins.” Ms. Retang Phaalha, **Setsong African Tea Crafters**

3. The **V&A Waterfront** is an iconic 123-hectare neighbourhood, which welcomes around 26 million visitors from all over the world annually. With this market access, the Waterfront’s management aims to develop a local, authentic, and culturally diverse food ecosystem that supports lives and livelihoods, health and well-being. The food ecosystem at the Waterfront serves as a hub for aggregation, food waste management, farmer education and provides market access to small-scale farmers.

[#invest.local.sustain](#)



V&A Waterfront Food System - Benefits

- More than 23% of the area of the shopping centre is dedicated to food and food-related products (excl. Grocers) This is more than double that of most super regional shopping centres
- More than R1.25Bn in turnover for this category in 2018 with some of the most successful restaurants in the country
- 80 formal eateries
- 180 successful small food operators across 3 markets
- 880 direct jobs supported in the neighborhood
- Robust performance – averaging more than 33% growth per year

Source: *Henry Mathys, V&A Waterfront*

Recipes for Sustainability

A meal is not just a meal. On each plate, a chef can present a country’s heritage, its economic potential, and the health and well-being of its people and environment. Therein lies the vision of the culinary professional who supports sustainable development goals.



African chefs are not just creative visionaries, but also food activists and entrepreneurs using their platforms to

advocate for food sovereignty and diversity, to empower farmers and food processors to participate in food value chains, and to transform local and indigenous produce into good food for all.

Examples of their contributions to the agritourism-sustainable food system agenda include:

- Leading initiatives for narrative labelling of local foods produced in the rural sector
- Organizing food festivals as a means of introducing unique and indigenous ingredients to markets
- Linking urban farmers to consumers by inviting them to curated-food events and telling their stories in the marketing of the same
- Hosting of celebrity-based programs to raise awareness.

The agri-food processing industry can be linked to different agricultural production and farming models. 70% of raw materials needed for the food processing sector are sourced locally. This sector holds a lot of opportunities for South Africa...using innovation to make products in response to consumer trends. Chef Pinky Maruping, Unilever Food Solutions, SA

needs for maximizing agritourism market opportunities to transform food systems in South Africa. Key areas highlighted that would benefit from a holistic approach to these themes include:

- Empowering farmers to participate competitively in food value chains, including those who operate in the informal sector in rural and peri-urban areas
- Designing policies to support an efficient enabling business environment and to respond to changing consumer trends in food and nutrition
- Upgrading educational curricula, particularly for chefs to be better prepared to promote local, authentic South African cuisine and manage food waste
- Processing foods to maintain its nutritional value
- Engendering behavioral change and mind-set regarding farming and related activities, particularly among the youth



Educate to Innovate

Training, education, research, innovation were recurrent themes throughout the dialogue when discussing challenges and



Development and Financial Institutions Pitch in

All three institutions at the dialogue, the National Development Agency (NDA), Standards Bank, and the Food and Agriculture Organization (FAO) support initiatives in the agritourism space.

NDA has at least two on-going projects working with cooperatives in Cape Town and Limpopo. Acknowledging a key challenge faced by producers is access to markets, NDA efforts facilitate producers' access to one of the top hotels in the Western province – in the Cape Town project and some of the largest retail outlets – in the Limpopo project.

“There really are a lot of opportunities in agritourism and we are open for that business. We are really invested in the industry.” Ms. Keneilwe Nailana, Standards Bank

Standards Bank has a track record of supporting agribusinesses and those involved in agritourism are among them. According to their Agribusiness Manager, they have witnessed “traction in agritourism,” and have helped “farmers to embark on this journey.” The financial institution invests a lot in “intimate relationships” with its clients to ensure they understand their business goals and to tailor financial solutions, based on individual needs. Part of the guidance they provide to clients wanting to invest in agritourism is encouraging them to thoroughly understand the industry, as it requires additional skill sets, market intelligence, and know-how. It is an industry they fully support as they believe it provides opportunities for diversifying income streams, spreading risks, and managing the cash flow cycle.

“This dialogue is timely and topical. FAO supports countries towards the effort of transforming agri-food systems that are inclusive, sustainable, and resilient. Investing in agritourism...we realise would be a solution to address the social, economic, and environment pillars of agenda 2030.” Dr. Brave Ndisale, FAO

FAO's support of Agritourism is underscored by the recent signing of a Memorandum of Understanding (MoU) between FAO and the UN World Tourism Organization (UNWTO). The goal of the MoU is to promote sustainable tourism in rural areas, which is inclusive of

agritourism, and aims to foster innovation and entrepreneurship in the rural areas and improve ecosystem management.



“Bapedi a re boeleng Setšong”

To this end, the FAO and the UNWTO are promoting Global Important Agricultural Heritage Sites (GIAHS). The development institutions acknowledge the value of agricultural and cultural heritage and their relevance to sustainable development, biocultural diversity, including biodiversity, and ecosystem management.

Agritourism is also viewed as an opportunity to build back better after the devastating impact of COVID-19 on the tourism economy. To realize this potential, the institution signals the importance of strong coordination among the multiple stakeholders to build mutual trust, avoid power asymmetries, and to be able to expand sustainably into regional and global value chains.

FAO offers knowledge dissemination and technical support to share and implement good practices on smart solutions

prepared post-dialogue and shared with participants for their final input before submission to the UN system. The policy brief (Position Paper) is found in Annex I.

Box 4: Market Tidbits

THE WELLNESS ECONOMY

- The global wellness economy was a US\$4.5 trillion market in 2018
- The industry grew by 6.4% annually from 2015-2017, nearly twice as fast as global economic growth as a whole
- Among the top wellness market by revenue, in which agriculture plays a key role include:
 - Healthy eating and nutrition (US\$702 billion)
 - Wellness tourism (US\$639 billion)

Source: Global Wellness Institute, 2019

3. **Business Proposal.** The result of the 4 groups' discussions is reflected in the proposal: Indigenous 2.0 – The Next Generation Project (see Annex II for details). The business solution proposed by participants is founded on three integrated principles (these principles also dominated the National UNFSS Dialogue):

- i. Use of indigenous knowledge systems
- ii. Support of local economies, particularly in the rural space
- iii. Application of innovative technologies and approaches.

The solution proposes a framework that allows for collaboration among multiple stakeholders for monitoring and evaluation of results and for concerted promotion of sustainable food markets, health and nutrition, and indigenous, cultural, and environmental conservation. The

three pillars of the framework are flexible to allow for adjustments as agritourism market opportunities evolve. Finally, the participants propose that the framework be considered for inclusion as part of South Africa's national development agenda, specifically within the context of its agriculture, tourism, and localisation strategies. This is also a framework that could be replicated in other parts of Africa to support strengthening of regional and continental wide agritourism and food value chains and branding.

4. **Informal Professional Network.** The final poll implemented at the end of the dialogue sought participants' views on continuing engagement post-dialogue through an informal professional network. There was unanimous agreement (100%) to participate in a network. A broad outline for the Professionals promoting an Agri-circular Economy (PACE) is found in the business proposal in Annex II.

E. Concluding Remarks

Making agritourism markets work for the poor and other development objectives, such as food system transformation, is a strategy based on the central organizing principle of successful economies. More accessible and competitive markets provide the poor with better choices and opportunities to improve their livelihoods and overall well-being. Markets that function well also have wider economic benefits. They can stimulate competition, place pressure on producers to improve products and services, and in turn offer better value for consumers ³ .

³ A Synthesis of the Making Markets Work for the Poor Approach; DFID, SDC; 2009

While the discussions and outcomes of the Independent Dialogue touches on more than one of the UNFSS Action Tracks, for the purposes of selection, they are most aligned with **Action Track 2: Shift to Sustainable Consumption Patterns.**



ANNEX

I. Position Paper (Policy Brief)

09 JUNE 2021

SOUTH AFRICA

POSITION PAPER - DRIVING FOOD SYSTEM TRANSFORMATION IN SOUTH AFRICA VIA AGRITOURISM MARKETS

Recognising the United Nations Member States' commitment to the 2030 Agenda for Sustainable Development as a shared blueprint for promoting people, planet, prosperity, and partnerships;

Recognising the UN Food System Summit's aims of raising global awareness and shaping global commitments that can transform food systems to resolve hunger, reduce diet-related diseases, and restore planetary health;

Recognising South Africa's commitments made under the Johannesburg Declaration on Sustainable Development and the Plan of Implementation towards sustainable agriculture, food security, and nutrition;

Recognising South Africa's National Tourism Strategy 2016-2026 mandate to seek competitive options, new products, and market development to maintain South Africa as a relevant and desirable destination taking into account emerging trends, such as interest in green, sustainable, and ethical tourism, to identify, adapt, and take advantage of relevant opportunities;

Recognising South Africa's recent localization strategy that aims to realise the localization of goods and services of up to R200 billion over five years;

Recognising that South Africa, in response to the fall-out from COVID-19, has committed to an economic strategy that requires a new social compact, among all role players, to restructure the economy and to achieve inclusive growth;

Accepting that agriculture, while underperforming, remains a priority sector to South Africa, and Sub-Saharan Africa as a whole, to realize economic growth, food security, and poverty reduction at the national and regional levels;

Accepting that many academic studies have shown indigenous knowledge and systems are intrinsically linked to environmental conservation, biodiversity, and healthy lifestyles;

Accepting that inclusive market-based approaches to development agendas have been demonstrated to achieve sustainable positive impacts;⁴

Accepting that countries with higher integration in regional and global markets with high-value products, or countries with large high-value domestic markets seem to have advanced the most in terms of the contribution of agriculture to economic development;⁵

As an outcome of our engagement in the UNFSS Independent Dialogue, “**Driving Food System Transformation in South Africa via Agritourism Markets,**” we the participants recognize that:

- A common factor in all cases of successful agricultural transformation is access to expanding markets with paying customers.
- While the agriculture sector has yet to live up to its potential as an engine of growth and transformation, market linkages with the tourism sector will serve as a pull effect on agriculture, as the tourism sector is one of the fastest growing sectors across the world – faster than global economy GDP growth. This sector remains an important driver for job creation. It also tends to employ a higher share of youth workers than the overall economy. Most travel and tourism expenditures are generated by domestic, compared to international, travel and is expected to be a key driver in the sector’s initial recovery from COVID-19.
- The broken food system, which has resulted in negative social, economic, and environmental impacts in South Africa and the rest of Africa, is an opportunity to identify market-based solutions to transform the food system for healthier outcomes for all.
- Increasing awareness among consumers regarding health, social, and environmental development challenges are driving demands for food products and services that can best be supplied in the agritourism sub-sector and by small- and medium-scale producers.
- Research data, including from South Africa’s case studies, show investments in agritourism initiatives, particularly investments made to increase small-scale producers’ capacities to deliver quality products and services, stand to have a direct and positive impact on food systems.
- Indigenous systems and practices and other local food products and techniques offer unique selling points and competitive advantages in agritourism markets.
- Coordinated efforts in regional branding, which can be facilitated by the African Continental Free Trade Area, can drive growth and competitiveness in agritourism value chains
- Education and skills training, application of innovations and technologies, access to land and finance, marketing, infrastructure, and stakeholder coordination are priority issues to be addressed for African entrepreneurs to be competitive in the agritourism markets.

⁴ DFID, SDC

⁵ Agro-Industries for Development, FAO, UNIDO, CAB, 2009

We, the participants of the Dialogue recommend to our government and the UN Food System Summit coordinating Members to:

- Allocate resources for further research and analysis on the Agritourism sub-sector and its impact on sustainable food systems to better inform policy and programme design and implementation.
- Consider our submitted business proposal and multiple-stakeholder coordinating framework as:
 - Contribution to the UN Food System Summit agenda; and
 - Reference in elaborating, finalizing, reviewing relevant national and Africa-wide strategies and agendas.

II. Business Proposal and Coordinating Framework

INDIGENOUS 2.0 - THE NEXT GENERATION PROJECT (I-NGP)