Economic Commission for Africa
Subregional Office for Southern Africa
High-level policy dialogue
Cairo, 11 November 2023

Side event held on the margins of Africa Industrialization Week

Leveraging digital technologies to enhance market access for women-owned export companies in the horticulture value chain

Summary of proceedings

I. Introduction

1. In Africa, the horticulture export industry has been growing consistently and the number of exporters targeting the European Union market has increased dramatically. Despite their limited skills and capacity, private operators in Africa seeking to export fresh fruit and vegetables to the international markets have sought to implement initiatives to build their competitiveness. The principal market for most African exporters of horticultural products is the European Union, but such exports are often intercepted or rejected due to noncompliance with sanitary and phytosanitary measures.

2. The data for Southern Africa show that, between 2009 and 2019, sanitary and phytosanitary interceptions and notifications were most prevalent for South Africa (486 interceptions), Zimbabwe (423), Zambia (64), Mauritius (57) and Mozambique (33).

3. For women, the horticulture sector offers lower entry requirements in terms of market opportunities for both regional and international markets. Operators in the industry, however, face several challenges in accessing markets. First, they must ensure that their goods comply with the sanitary and phytosanitary import conditions regulated by the destination markets. Second, they must adhere to the market standards expected by buyers, which are driven by consumer preferences and such values as gender and social inclusion, environmental responsibility and labour standards. The low compliance with sanitary and phytosanitary regulations has thus led to frequent interceptions of export consignments with higher than acceptable pesticide residual levels and the presence of harmful pests, among other reasons. Lastly, although private certification schemes would benefit export companies and give them better access to high-value markets, their high cost deters companies – in particular those owned by women – from using them. Such challenges pose a threat to the competitiveness of horticulture exports and the women producers who depend on the industry for their livelihoods. Such challenges need to be explored...
further and their impacts on trade and livelihoods among women need to be identified.

4. Responding to these challenges, the Subregional Office for Southern Africa, in collaboration with the African Union Southern Africa Regional Office, organized a high-level policy dialogue entitled “Leveraging digital technologies to enhance market access for women-owned export companies in the horticulture value chain”. The policy dialogue was held on 11 November 2023, during Africa Industrialization Week, an initiative launched on the margins of the Intra-African Trade Fair in Cairo.

5. Presenting an overview of the policy dialogue and its objectives, an economic affairs officer at the Subregional Office for Southern Africa, Talumbaba Ireen Chilipaine, said that the main purpose of the dialogue was to deepen the engagement of the Subregional Office with key partners on inclusive industrialization and to strengthen measures that supported women exporters in the horticulture value chain. More specifically, the objectives of the policy dialogue were: to identify obstacles impeding women-owned export companies in the horticulture value chain from having access to major markets; to assess the role of digital technologies in driving competitiveness through, for instance, effective sanitary and phytosanitary risk-management systems, traceability applications and enhanced cultivation methods; and to proffer recommendations to address the challenges faced by women-owned export companies in the horticulture value chain.

II. Participation

6. The high-level policy dialogue was attended by senior government officials and other representatives of States in the subregion, along with representatives of: the African Union Commission, the Common Market for Eastern and Southern Africa (COMESA), the Southern African Development Community, regional and international development organizations, civil society, the private sector (including micro, small and medium-sized enterprises in the horticulture sector), academia, research institutions and the media.

7. The four panellists were drawn from various backgrounds and areas of expertise. Two were women exporters: Ngabaghila Chatata and Bupe Chipili Mulapesi. Ms. Chatata was Chief Executive Officer of a horticultural enterprise in Lilongwe and a leader in the sector in Malawi. Her enterprise offered expertise in business incubation, agroprocessing, greenhouse manufacturing and capacity-building in climate-smart technologies. Ms. Mulapesi was the founder of an organic strawberry farming company launched in Zambia in 2009 and recipient of several awards for the promotion of sustainable farming practices, including the Agriculture Award at the Anakazi Banking Zambian Women of the Year event in 2020 and the runner-up prize for the Zambia Female Agri-Business Entrepreneur Award in 2019. The third panellist was Laura Naliaka, trade policy fellow at the Economic Commission for Africa and leader of a number of the Commission’s workstreams, including those on cross-border trade and standardization. The fourth panellist was Chikakula Miti, Acting Chief Executive Officer of the COMESA Federation of Women in Business.

III. Panel discussion: Leveraging digital technologies to enhance market access for women-owned export companies in the horticulture value chain

8. The panel discussion was moderated by the Chief of the Inclusive Industrialization Section of the Subregional Office for Southern Africa, Olayinka Bandele. In her introductory remarks, Ms. Bandele noted that women
exporters in the horticulture sector continued to face considerable challenges in gaining access to high-end markets and that, although many of the challenges reported were for markets outside Africa, the challenges also had a direct bearing on trade under the Agreement Establishing the African Continental Free Trade Area.

9. Ms. Chatata discussed the way in which private standards were affecting women-owned export companies in the horticulture value chain and noted the lack of expertise on exports, in particular in Southern Africa. Those companies faced particular challenges in meeting the requirements for private certification of standards when their countries lacked the expertise to support such processes; in addition, sourcing experts from elsewhere greatly increased the cost of certification. In that context, she cited the example of hazard analysis and critical control points certification, which was needed to gain access to such high-end markets as the European Union. Drawing attention to the many business incubators that were being established to support women, she noted that many development partners and Governments were investing in them, demonstrating a strong focus on the fostering of entrepreneurial skills.

10. Ms. Mulapesi, discussing the major impediments faced by women in the horticulture sector, said that standards, especially private standards and licensing, increased the cost of certification, making it difficult for women to export to lucrative markets. Highlighting the important role played by African women producers, she pointed out that most women were good producers and had great potential to feed the continent. She urged African leaders and international organizations to use such platforms as Africa Industrialization Week to support women’s access to lucrative markets and called for women producers and exporters to receive a special derogation for market access, given their historical disadvantage.

11. Ms. Naliaka, referring to the fourth industrial revolution, said that digital technologies were instrumental in addressing challenges associated with gaining access to new markets. Noting that some digital technologies could be deployed from the start of the production process to the point when the products reached the end users, she advised farmers to use new technologies to boost their productivity by optimizing the inputs available, which would allow them to gain access to European and other international markets. She also said that data collection was vital to ensuring the traceability of products and supporting institutions responsible for overseeing the development and harmonization of relevant standards.

12. Mr. Miti, speaking from the perspective of his work with the COMESA Federation of Women in Business, highlighted the support needed by women entrepreneurs, including capacity-building on sanitary and phytosanitary measures, to ensure that they had the necessary training to export products and to maintain connections with export markets. He also highlighted the challenges faced by women exporters that were associated with the cold supply chain for horticultural products, which was essential to the reduction of post-harvest losses, given the highly perishable nature of those products. He said that the provision of such infrastructure would facilitate access to new regional and international markets. Noting that data from COMESA showed that the horticulture industry was growing strongly, at 3 per cent per annum, he called upon Governments to examine ways to harness regional markets under the Agreement Establishing the African Continental Free Trade Area, since those markets were more friendly than the European Union market.
IV. Key messages

13. The key messages from the plenary discussion were as follows:

(a) For women, the horticulture industry offers lower entry requirements, but they face several challenges, including import conditions regulated by importing countries and adherence to market standards;

(b) Low compliance with sanitary and phytosanitary regulations has therefore led to frequent interceptions of export consignments;

(c) The lack of adherence to private standards and the high cost of private certification schemes limit the number of export companies, in particular those owned by women, that could benefit from such schemes and thus gain better access to high-value export markets;

(d) The increasing market requirements, driven by consumer preferences, are placing additional compliance costs on women horticulture exporters. Such consumer preference include environmental responsibility and labour standards;

(e) Export challenges in the horticulture industry pose a threat to the competitiveness of the industry and to the women exporters who depend on it for their livelihoods;

(f) The establishment of digital traceability systems in the horticulture supply chain in the region reduces compliance costs for horticultural exporters;

(g) Horticultural exporters could consider how to harness high-growth market commodities in COMESA and under the Agreement Establishing the African Continental Free Trade Area, as regional markets offer better market access.

V. Closing of the high-level policy dialogue

14. In his closing remarks, the Permanent Representative of the African Union to Southern Africa, David Claude Pierre, thanked the panellists for the excellent discussion and insights, referring specifically to the discussion surrounding the challenges that women-owned businesses face in Africa, which included the need for training, capacity-building and compliance with market standards. Highlighting the pivotal role that women could play in industrializing Africa, he said that it was crucial to transform its social and economic development into one that was competitive globally. He reiterated that participants at the side event were pushing to transform Africa into a future global powerhouse, driven by Agenda 2063: The Africa We Want, of the African Union. To that end, Africa needed to take advantage of the Agreement Establishing the African Continental Free Trade Area, which addressed some of the factors impeding access to external markets by women-owned export companies in the horticulture value chain.
Annex

Leveraging digital technologies to enhance market access for women-owned export companies in the horticulture value chain

Programme of work

11 November 2022

Multipurpose hall B, Al Manara International Conference Centre

Moderator: Olayinka Lawal Bandele, Chief, Inclusive Industrialization Section, Subregional Office for Southern Africa

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<td>3.15–3.20 p.m.</td>
<td>Registration</td>
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<td>3.20–3.25 p.m.</td>
<td>Opening of the session: overview and objectives of the side event</td>
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<td></td>
<td>• Talumba Ireen Chilipaine, Economic Affairs Officer, Subregional Office for Southern Africa</td>
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<td>3.25–4.05 p.m.</td>
<td>High-level panel discussion</td>
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<td>• Bupe Chipili Mulapesi, Chief Executive Officer, Farm23 Strawberry, Zambia</td>
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<td>• Ngabaghila Chatata, Chief Executive Officer, Thanthwe Farms, Lilongwe</td>
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<td>• Laura Naliaka, trade policy fellow, Economic Commission for Africa</td>
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<td>• Chikakula Miti, Acting Chief Executive Officer, COMESA Federation of Women in Business</td>
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<td>4.05–4.10 p.m.</td>
<td>Summary of conclusions</td>
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<td>• Olayinka Bandele, Chief, Inclusive Industrialization Section, Subregional Office for Southern Africa</td>
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<td>4.10–4.15 p.m.</td>
<td>Closing session</td>
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<td>• David Claude Pierre, Permanent Representative of the African Union to Southern Africa, the Common Market for Eastern and Southern Africa and the Southern African Development Community, African Union Southern Africa Regional Office</td>
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