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The issue

Rapid changes in food systems have created enormous opportunities, with more efficient food systems having significant potential to underpin economic growth, create jobs and satisfy changing consumer demand. These changes have also resulted in growing challenges in relation to the capacity of food systems to deliver development gains in those countries that are more dependent on agriculture, namely, developing and least developed countries. Increased market concentration and the need to produce for a more integrated global market have raised new barriers to market access for small and medium-sized farmers and food enterprises. A lack of tailored and adequate private-sector investment, combined with weak food policies and regulations, has made it difficult for developing countries to take advantage of the potential benefits of trade for agricultural transformation. On top of it, the lack of compliance with international phytosanitary standards required by developed importing countries can limit the trade capacity as for the risks related to pest introduction and spread.

This is the situation in most African countries. Agricultural transformation will depend on the capacity of African countries to harmonize their trade, food security and broader development objectives, and to better coordinate sectoral policies, strategies and technical interventions. A food-systems approach is instrumental to addressing these challenges, by enabling greater horizontal and vertical coherence in the planning and implementation of national agriculture, trade and industrial development policies, strategies and programmes to facilitate trade and access to markets.

The action

The programme will provide a common framework and approach at the continental level to mainstream trade, agribusiness, standards and inclusive value-chain development into the implementation of regional programmes. It will also provide better services to African institutions and small and medium-sized agri-enterprises, facilitating access to markets and evidence-based policymaking. The framework will be implemented via coordinated activities and interventions at the regional and national levels. It will aim to improve the alignment of planning processes across agriculture, trade, investment and industrial development, and promote the common prioritization of regional value chains – drawing on their potential to increase regional trade, improve food security and nutrition, and create decent jobs, especially for women and youth.

TRADE AND AGRIBUSINESS

Aid for Trade Africa

Food-systems development for
structural transformation in Africa

The issue in numbers



1.2 billion
people covered by the African
Continental Free Trade Area



57%
of total employment in 2017 in
sub-Saharan Africa was in agriculture



178%
projected increase in Africa's food
demand by 2050

Programme targets



1 000
small food companies equipped with
sustainable practices to grow and
create employment



500
business-to-business mentoring
relationships established through
North-South collaboration



30
policy and trade reforms to improve the
agribusiness-enabling environment

The budget



USD 16.9 million



4 years



11 countries

Expected results

- More inclusive, efficient, sustainable food systems, with better market links along and between value chains, resulting in increases in income and jobs;
- Improved capacity of countries to implement international phytosanitary standards set by International Plant Protection Convention (IPPC) in order to meet importing requirements of developed countries;
- More diversified agriculture and food trade by reducing barriers to trade and market access;
- Cohesive governance for the development and implementation of agriculture, trade and industrial development policies, strategies and programmes;
- Institutional capacity to make evidence-based decisions and create an enabling environment;
- Private sector able to tackle technical and financial challenges to boost trade and market access.

Geographic focus

At national level, the programme will focus on those countries that have submitted specific requests and/or have benefited from previous FAO-supported projects in similar areas of work, such as Chad, Madagascar, Malawi, Mozambique, Nigeria, Rwanda, Senegal, the United Republic of Tanzania, Uganda, Zambia and Zimbabwe. At regional level, economic communities such as the Common Market for Eastern and Southern Africa (COMESA), the Economic Community of West African States (ECOWAS) and the Economic Community of Central African States (ECCAS) have requested that FAO support the establishment/strengthening of regional platforms and/or capacity development with regard to trade facilitation.

In partnership with

The Programme provides a common framework and approach for streamlining support at the continental, regional and national levels. It will also enable the pooling of technical expertise and financial resources.

In Africa, FAO will work with partners including the African Union Commission, regional economic communities (COMESA, ECOWAS, ECCAS), the Trade Policy Training Centre in Africa, the Africa Agribusiness Incubators Network, and the African Rural and Agricultural Credit Association.

At global level, FAO will work with the Enhanced Integrated Framework (EIF) for Least Developed Countries, the European Centre for Development Policy Management, the Standards and Trade Development Facility, the United Nations Institute for Training and Research (UNITAR) and the United Nations Conference on Trade and Development (UNCTAD).



SDG contribution



Africa Roots and Tubers Project

The Africa Roots and Tubers project is an example of how FAO engages at multiple levels with national institutions to support the cassava, potato and yam value chains in Rwanda, Uganda, Malawi, Ghana, Cameroon, Benin and Côte d'Ivoire. Backed by the EU–Africa, Caribbean and Pacific partnership, traders, buyers and processors are matched with supply from farmers' groups. Buyers attend Farmer Field School trainings so that business plans are aligned along the chain, with 15 supply contracts signed across the target countries. Workshops on finance have led to climate insurance schemes and finance products with flexible repayments for farmers. Public–private sector exchanges resulted in four commodity platforms, policies on high-quality cassava flour and a national cassava strategy. Emphasizing the role of women in food chains, trainings specifically target women-led agri-enterprises.



Why invest?

The programme has great potential for scalability and replicability, as it aims to embed activities within African institutions and uses a methodology that can be applied to any African country or regional economic community. The programme is particularly strong in Africa's 33 least developed countries, thanks to FAO's partnership with the Enhanced Integrated Framework, which has the same national structures and operating modalities. The programme also envisages knowledge-sharing initiatives at continental level. Value for money is evident in the economic benefits that will be generated once the impediments to trade are reduced and the trade-related capacities are improved (for example, through trade facilitation work), as well as through improved cohesion and coordination of agricultural trade policies, strategies and investment plans.

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