



Monitoring African Food and Agricultural Policies (MAFAP)

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Background

In the past decade, economic growth in Africa has been relatively strong, with incomes per person growing on average by almost five per cent per year. Yet the food and agricultural sector itself has not fared as well:

- The region has suffered from low farm productivity and weak productivity growth. The continent boasts ample land assets and unrealized production potential but has missed opportunities to capitalise on its endowments;
- Imports of food have continued to grow. Between 1995 and 2007, net imports of cereals increased by over 50 percent, and it is projected that, unless policies change and resources are used more effectively, they will grow by a further 30 percent by 2020;
- Since 1990, a third of the population in Sub-Saharan Africa has been undernourished. Over the 1990-2007 period, the absolute number of undernourished people increased from 169 million to 236 million, a figure which will have risen further following the recent food price crisis.

In this context, there is a need for increased investment in the food and agricultural sector, along with supportive government policies. For those elements to be put in place, there is a clear need to assess regularly the extent of, and reasons for, the sector's underdevelopment, and to identify the role that improved policies and investments can play – both within the agricultural sector and in related areas, such as transportation and communications. The MAFAP project seeks to fulfil this information need.

Project Objective

The **Monitoring African Food and Agricultural Policies (MAFAP)** project intends to help African policy-makers and other stakeholders ensure that policies and investments are fully supportive of agricultural development, the sustainable use of natural resources and enhanced food security. It aims to support decision-making at national, regional and pan-African levels, and thereby contribute to the Comprehensive Africa Agriculture Development Programme (CAADP) of the New Partnership for Africa Development (NEPAD).

Project Outcomes

To achieve its objectives, the project will seek to achieve the following outcomes:

- (i) The need for improved monitoring of food and agricultural policies as well as for associated policy dialogue is recognized by participating countries, and demand from partners is generated.
- (ii) More regular and better informed policy dialogue at national, regional and international levels on African food and agricultural policies is supported.
- (iii) Project partners are prepared to define a scaling-up strategy to support sustained and systematic monitoring of African food and agricultural policies.

The information generated through MAFAP will assist African governments in not just fulfilling their commitments to increase the share of national budget devoted to agriculture and rural development, but also in allocating resources wisely. Development institutions and agencies will also benefit from information to improve their capacity to offer policy advice and allocate investments. It is expected that the project will contribute to the formulation and implementation of CAADP Compacts.

Project Outputs

To achieve the expected outcomes, the project will produce the following outputs:

- A first flagship report on *Monitoring African Food and Agricultural Policies*, by mid 2012, which is intended to be published subsequently on a triennial basis.
- In-depth *country reports*, which will be based on the project's methodology, and will be undertaken for five countries.
- Country policy review papers for an additional five countries, which will include estimates of how government policies affect incentives and disincentives within the food and agricultural sector.

Intermediate outputs for 2010 include:

- A *full-fledged methodology* to underpin the in-depth reports and policy reviews (Spring 2010).
- A *synthesis document* that assesses relevant information that is currently available in Sub-Saharan Africa and can be readily assimilated (including both data and indicators) and makes an inventory of ongoing policy analysis work (Spring 2010).

MAFAP Methodology

The monitoring report and accompanying countries analyses will be underpinned by a set of indicators that are of value to policymakers, are consistent and comparable across countries, and can be computed on a regular basis. Three core types of indicator are envisaged:

(i) Measures of incentives and disincentives

This group of indicators will measure the extent of policy interventions in food and agricultural markets, and will be based on price gaps in major commodity chains, as well as in input mar-

kets. Explicit policy interventions will be contrasted with implicit disincentives from excessive costs or rents that could be reduced through appropriate investments or institutional reforms.

(ii) Measures of government expenditures in support of agricultural development

The project will also develop a disaggregated record of national budgetary transfers, with economically meaningful distinctions across areas that affect food, agricultural and rural development, and establish a correspondence between national expenditures and aid inflows.

(iii) Indicators of development performance

Contextual information of value to policymakers will be provided in the areas of sectoral performance; market structures; costs in output and input markets; poverty, inequality and food security; environment and natural resources; and health and human development.

Our Approach

Throughout its duration, the project will:

- Conduct collaborative work with participating countries and other project partners in defining and implementing the project's methodology. A workshop to discuss the project methodology is planned for Spring 2010.
- Work at country level in conjunction with national experts and policymakers in participating countries.
- Operate in partnership and close relationships with other organizations, including the AU, the NEPAD Secretariat, Regional Organizations and initiatives such as ReSAKSS, in order to institutionalize the monitoring process and to build and reinforce analytical capacities.

MAFAP is part of a broader endeavour to improve the monitoring of food and agricultural policies in African and other developing countries. Within FAO, it is a corporate effort involving several divisions across the Organization.

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