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ENABLING POLICY AND INVESTMENTS FOR AGRICULTURAL TRANSFORMATION IN AFRICA

April 2022

SDGs:



Country: Africa Region (Burkina Faso, Burundi, Central African Republic, Chad, Côte d'Ivoire, Democratic Republic of the Congo, Niger and Senegal)

Project Code: TCP/RAF/3712

FAO Contribution: USD 336 000

Duration: 21 November 2019 – 31 December 2021

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Implementing Partners

Relevant ministries in targeted countries.

Beneficiaries

Ministries of Agriculture and other relevant Ministries in the targeted countries; specific departments in charge of coordinating and implementing investment projects; farmers' organizations; and young people and women with agroenterprises.

Country Programming Framework (CPF) Outputs

Burkina Faso: *Domaine prioritaire 1 – Sécurité alimentaire et nutritionnelle, résilience des populations vulnérables face au changement climatique.*

Domaine prioritaire 2 – Gouvernance de secteur rural (environnement, sécurité alimentaire et nutritionnelle).

Burundi: *Domaine prioritaire 1 – Amélioration durable de la sécurité alimentaire et nutritionnelle à travers l'augmentation des productions agricoles, animales, forestières et halieutiques.*

Domaine prioritaire 3: Renforcement des capacités institutionnelles et organisationnelles.

Central African Republic: *Domaine prioritaire III – Restauration de l'autorité de l'état et de ses compétences et renforcement des capacités des autres acteurs et de leurs organisations.*

Chad: *Domaine prioritaire 2 – Formulation et mise en œuvre des politiques et stratégies sectorielles.*

Democratic Republic of the Congo: *Domaine prioritaire 1 – Renforcer la gouvernance des secteurs de l'Agriculture, Pêche et Élevage, Développement rural et Environnement (Eaux, forêts et biodiversité).*

Niger: *Priorité 2 – Appui au renforcement d'un environnement politique et institutionnel favorable au développement agricole, à la sécurité alimentaire et nutritionnelle et à la gouvernance durable des ressources naturelles.*

Senegal: *Priorité n° 2 – Amélioration de la sécurité alimentaire et de la nutrition, et renforcement de la résilience des populations vulnérables.*



BACKGROUND

One of the persistent constraints for the development of agricultural investment projects in Africa is the shortage of national and regional technical capacity for undertaking project preparation, supervision and results-based management (RBM). The African Development Bank (AfDB) is increasingly unable to meet demands for technical assistance and capacity development from regional member countries, particularly transition states in Central Africa, to support the preparation and implementation of investment projects. The AfDB's Committee on Operations and Development Effectiveness (CODE) and a 2018 independent evaluation highlighted the specific constraints found with respect to the quality at entry, effectiveness and efficiency of project preparation and appraisal, which included: (i) the quality of project design and feasibility studies; (ii) inadequacy of resources devoted to project preparation in terms of time and skill sets; (iii) heavy workloads of operations staff throughout the project preparation ecosystem; (iv) truncation of preparation time to expedite approval from the Board of Directors of the AfDB; and (v) poor project design and management capacity in some regional member countries.

This Technical Cooperation Programme (TCP) project was therefore designed to contribute to the development of quality investment projects in agrifood systems by leveraging FAO's technical assistance to: (i) improve the quality at entry of investment operations; (ii) accelerate delivery and speed of project preparation, (iii) support implementation to increase the development impact of operations and ensure strong portfolio performance; (iv) strengthen learning, knowledge and advisory services in regional member countries; (v) boost investment pipelines in the region and raise more business for the Bank; and (vi) mobilize resources for investment support and technical assistance.

The project built upon a supplementary cooperation agreement signed in 2018 by the AfDB and FAO to establish a strategic alliance for ending hunger and malnutrition and creating wealth and prosperity in Africa. This agreement included a commitment by AfDB and FAO to set up the FAO AfDB Collaborative Programme (AF-CP) for supporting the agricultural transformation agenda in Africa. This project also aimed to provide part of the co-financing envisaged in the AF CP agreement by tapping into FAO's considerable expertise to assist in project preparation and other deliverables.

At regional level, this project aligned with the priorities of the FAO Regional Office for Africa (RAF)¹ and also contributed to: (i) making nutritious foods safe, available and accessible; (ii) agribusiness, inclusive and resilient agrifood value chains; and (iii) trade and market opportunities for inclusive growth.

The investment projects developed under this TCP project are expected to contribute to different Priority Programme Areas (PPAs) of FAO's Strategic Framework (2022-2031). For example, the Food Safety Project is aligned to Better Nutrition (BN)³ (Safe food for everyone), BN4 (Reducing food loss and waste), and BN5 (Transparent markets and trade).

IMPACT

The results of this project are expected to make a future contribution to enhanced food and nutrition security, reduced poverty and improved livelihoods in the targeted countries through the implementation of the developed investment projects.

The outcomes and results of the project supported the achievement of the following sustainable development goal (SDG) targets:

- 1.1. By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than USD 1.90 a day.
- 1.b. Create sound policy frameworks at the national, regional and international levels, based on pro-poor and gender-sensitive development strategies, to support accelerated investment in poverty eradication actions.
- 2.1. By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round.
- 2.3. By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, Indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment.
- 2.4. By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.

- 2.a. Increase investment, including through enhanced international cooperation, in rural infrastructure, agricultural research and extension services, technology development and plant and livestock gene banks in order to enhance agricultural productive capacity in developing countries, in particular least developed countries.
- 10.2. By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.
- 13.2. Integrate climate change measures into national policies, strategies and planning.

ACHIEVEMENT OF RESULTS

The main outcome of this project (Countries implemented effectively policies, strategies and investment programmes supportive of inclusive and efficient agrifood systems development) was achieved. The project supported a total of eight countries in developing and implementing investment operations: Burkina Faso, Burundi, Central African Republic, Chad, Côte d'Ivoire, Democratic Republic of the Congo, Niger and Senegal. Three countries in East Africa (Kenya, Uganda and United Republic of Tanzania) also developed an investment proposal on strengthening food safety. These investments are valued at over USD 80 million.

It is expected that the project will result in increased and improved investments in agriculture and food security, benefiting many people in Central Africa. The key performance indicators include: (i) number of people benefiting from improvement in agriculture; (ii) total value of new investment operations facilitated; (iii) percentage decrease of flagged projects; (iv) performance rating of Bank financed and co-financed projects; and (v) number of people trained in investment cycle management.

The two main activities (investment programme support and capacity development) were successfully combined under Output 2 (FAO priority countries are supported to design, implement and evaluate investment projects and programmes). A significant achievement of the project was the development of a cooperative agreement between the AfDB and FAO to provide technical assistance in the preparation and implementation of investment operations in Central Africa, targeting more than USD 200 million over a period of three years. Capacity-building activities on the digitalization of agriculture after the coronavirus disease 2019 (COVID-19) pandemic were implemented in a series of four webinars attended by over 900 people. Two important knowledge products were produced: digital agriculture toolkits and guidelines for mainstreaming climate smart agriculture in investment operations.

¹ FAO Regional Office for Africa | Food and Agriculture Organization of the United Nations.

The project conducted a capacity needs assessment study and developed accelerated capacity-building plans to support the identification, planning, preparation, implementation and evaluation of agriculture investment operations in Central Africa.

IMPLEMENTATION OF WORK PLAN AND BUDGET

One no-cost extension was requested and granted to allow for the implementation of certain activities.

Two main challenges affected the effective implementation of the work plan, and ultimately led to one of the project's two Outputs being cancelled. In early March 2020, as the COVID-19 pandemic spread across the continent, governments began imposing national lockdowns that included business closures and restrictions on movement within and across countries, and in-country capacity building workshops were cancelled due to the travel restrictions. It was decided to restructure the project and focus resources on investment programme support and virtual knowledge-sharing events.

The second challenge related to delays in financing the second phase of the Technologies for African Agricultural Transformation (TAAT II), which, at the time of writing, had still not been funded. The project strategy was thus revised to take advantage of existing opportunities and to respond to country demands and requests from the AfDB on project preparation.

The COVID-19 disruptions and delays in the funding of TAAT II significantly affected the timely execution of activities, resulting in under expenditure of the project budget by over USD 100 000. That said, despite the disruption, the TCP delivered its overall goals, which are expected to guide future discussions on country investments.

The risk that the AfDB and FAO would encounter difficulties in mobilizing the required expertise in a timely manner to provide the necessary assistance was low given FAO's expertise, its technical capacity and its vast network of consultants. In addition, the project also drew from the AfDB's network of consultants and from a pool of national consultants.

This project did not pose any direct environmental, social or political risks; however, this may not be the case in the specific investment projects prepared in each country. It is worth noting that an important aspect of the project objectives was to identify such risks during the design and preparation stages and to propose risk mitigation measures as part of the process.

FOLLOW-UP FOR GOVERNMENT ATTENTION

Governments are requested to follow up on the implementation of these projects:

- AfDB-FAO Cooperative Programme: Technical Assistance to Improve the Design and Implementation of Agriculture Investment Projects in Transition States in Central Africa (AFTACA) (Burundi, Central African Republic, Chad, and Democratic Republic of the Congo);
- Strengthening Food Safety Standards for Improved Competitiveness of SMEs in the Sahel (SF4S) (Burkina Faso, Niger and Senegal);
- *Projet d'Appui au développement des chaines de valeur intégrées de l'élevage* (PADCVIE) (Burkina Faso);
- *Projet de Renforcement des Moyens de Subsistance des Petits Exploitants et des Femmes dans la Région du N'zi* (PREMOPEF);
- *Projet d'Amélioration durable de la productivité et compétitivité des chaines de valeur viande et lait au Tchad* (PAPCV-VL);
- Strengthening of Food Safety Standards for Trade and Public Health Promotion in East Africa (Kenya, Rwanda, United Republic of Tanzania, Uganda).

In addition, it is important to facilitate the field testing and dissemination of knowledge products, including the Guidance Note for Investments in Africa's Digital Agriculture and the Guidance Note on Designing Climate-smart Agriculture Investment Programmes.

SUSTAINABILITY

1. Capacity development

This TCP project was developed in the framework of a supplementary cooperation agreement between FAO and AfDB to establish a strategic alliance for ending hunger and malnutrition and creating wealth and prosperity in Africa dated 27 August 2018, which expanded the cooperative programme that was established in 1968 and was complemented by Memoranda of Understanding (MoU) co-signed in 1991 and in 1997.



The sustainability of the results is expected to be ensured by the alignment of the developed projects with: (i) the FAO Investment Centre's (CFI) Transformation Plan, with its increasing country focus and emphasis on capacity building for investment as one of the 4+2 Solutions; (ii) the FAO Strategic Framework and with the four betters and Priority Programme Areas (PPAs); and (iii) country priorities. At AfDB, the project mobilized funding for the Transition Support Facility for the next three years with the potential to expand to new countries in an additional period.

In addition to reviving the partnership between FAO and AfDB, the project forged an alliance with the International Institute of Tropical Agriculture (IITA) (One-CGIAR System Organization), Dalberg Global Development Advisors and African institutions such as the Africa Projects Development Centre and the Research, Development and Training Institute, as well as a range of national public and private institutions and civil society organizations in a number of countries.

The capacities developed under the project will be dedicated to mobilizing resources from donors and partners, including the Global Agriculture and Food Security Program (GAFSP), the Green Climate Fund (GCF), the Global Environment Facility (GEF) and other appropriate climate financing mechanisms, as well as other major development partners such as the European Union and bilateral agencies. The improvement of quality and implementation performance of investments prepared under this initiative will also be a strong signal for AfDB management and for the Board to increase their support using different resources to strengthen institutional and technical capacities in selected countries.

2. Gender equality

This TCP promoted the development, adoption and monitoring of appropriate gender indicators related to policy and investment support. Project preparations were informed by FAO tools for gender mainstreaming and social inclusion for agriculture and rural investment projects (<https://bit.ly/3JXVB15> and <https://bit.ly/3M8JnxK>) to ensure that investment projects are designed and implemented to promote gender equality and women's empowerment.

All the investment projects approved will contribute to narrowing gender disparities and promoting gender equality and women's empowerment, and to creating specific opportunities for young women and men.

The different projects developed under this TCP project include activities that aim to strengthen the voices and participation of women, for instance, by supporting women's involvement in project preparation missions and capacity development; increasing women's participation in decision-making at all levels; enhancing their role as investment support experts, project management staff and entrepreneurs; and supporting them in changing social and cultural norms through grassroots organizations.

3. Environmental sustainability

All the investment projects supported by this TCP were confirmed in the Category 2 based on national legislations in the concerned countries (Burundi, Central African Republic, Chad and Democratic Republic of the Congo) and the Bank's integrated safeguards system. This categorization is based on the risks that would be linked to the projects prepared and appraised as a result of this programme. Environmental and social risk assessments were carried out for the projects formulated under this TCP project as part of the appraisal process, following a specific categorization that was done on a case-by-case basis, considering the specific environmental characteristics and sensitivity of the project area and the type and size of the project.

The assistance provided under the AfDB-FAO Cooperative Programme: Technical Assistance to Improve the Design and Implementation of Agriculture Investment Projects in Transition States in Central Africa (AFTACA) project will ensure that each systematically developed project mainstreams climate change and green growth, is in alignment with Nationally Determined Contributions (NDCs), long-term climate change strategies and the Bank's climate change action plan.

4. Human Rights-based Approach (HRBA) – in particular Right to Food and Decent Work

The investment projects are expected to generate additional income for women- and youth-run small and medium enterprises (SME) in the medium and long term. For example, the Food Safety Project is expected to create at least 5 000 new jobs (disaggregated by gender) in SMEs along the food safety standards value chain, resulting in an increase of 22 percent in revenue for women and youth enterprises, and an increase in profits for at least 60 percent of agrifood SMEs supported by the project.

5. Technological sustainability

Key innovations promoted under this programme for the prepared investment projects include: (i) improved and adapted varieties of crops; (ii) leveraging digital tools for production, processing and marketing and communication; (iii) various forms of value-addition activities in crop, meat and dairy value chains; and (v) institutional innovations and social entrepreneurship models.

A central objective of this project was to promote learning, knowledge and innovation for investment. The developed projects aim to leverage existing FAO knowledge products, particularly the Knowledge for Investment (K4I) platform and the Investment Learning Platform², which provides practical guidance to those who plan, formulate, implement or evaluate investment in agriculture, in particular governments, their advisors and partners. This TCP project specifically organized knowledge-sharing events on digital agriculture innovations among the diversity of public, private sector and civil society actors involved in agrifood systems.

The capacity-development reports on Central African Republic, Chad and Democratic Republic of the Congo identified priority areas for support based on their potential for development impact and attractiveness for public investments; developed an inventory of available capacities in countries and proposed strategies for mobilizing these capacities in support of project implementation; and included accelerated capacity-development plans for investment through RBM for each country. The reports also proposed a capacity deployment plan and logistics for conducting training events addressing the following three key areas: (i) investment cycle RBM, including project origination/identification, preparation and appraisal, monitoring, supervision and evaluation, learning and knowledge management; (ii) procurement systems and financial management; and (iii) technical areas, such as economic and financial analysis (EFA), Cost Tables (COSTAB) enhancement, Ex-Ante Carbon Balance Tool (EX ACT) for value chains, RuralInvest, the Livestock Sector Investment and Policy Toolkit (LSIPT), youth entrepreneurship, digital agriculture, etc.



6. Economic sustainability

The financial target of mobilizing USD 500 000 000 was partially achieved, with a total value of USD 80 million in investment operations supported by this TCP project. The funding has been allocated to the following investment projects:

- AfDB-FAO Cooperative Programme: Technical Assistance to Improve the Design and Implementation of Agriculture Investment Projects in Transition States in Central Africa (AFTACA) (Burundi, Central African Republic, Chad, Democratic Republic of the Congo): USD 4.7 million;
- Strengthening Food Safety Standards for Improved Competitiveness of SMEs in the Sahel (SF4S) (Burkina Faso, Niger and Senegal): USD 1.2 million;
- *Projet d'Appui au développement des chaînes de valeur intégrées de l'élevage au Burkina Faso* (PADCVIE): USD 40 million;
- *Projet de Renforcement des Moyens de Subsistance des Petits Exploitants et des Femmes dans la Région du N'zi* (PREMOPEF): USD 14.8 million;
- *Projet d'Amélioration durable de la productivité et compétitivité des chaînes de valeur viande et lait au Tchad* (PAPCV-VL): USD 24.5 million;
- Strengthening of Food Safety Standards for Trade and Public Health Promotion in East Africa (Kenya, Rwanda, United Republic of Tanzania, Uganda): USD 1.2 million; and
- Technical cooperation to strengthen the linkages between knowledge, technical assistance and development investments in meeting the targets of Feed Africa of the African Development Bank: Letter of Agreement (LOA) with the IITA (USD 100 000).

The technical assistance and capacity-development project are expected to result in more and better investment operations to benefit about 2 000 000 people. The expected economic benefits include: (i) the creation of new jobs for young people and women; (ii) increased incomes and profits from the agro-enterprises of young people and women; (iii) increased economic empowerment for young people and women; (iv) the adoption of sustainable and climate-resilient practices and technologies; (v) improved productivity and production; and (vi) increased market access.

² <http://www.fao.org/investment-learning-platform/home/en/>.

DOCUMENTS AND OUTREACH PRODUCTS

- ❑ 2020. Africa's agriculture value chains must go digital to transform production – webinar. In: Pulse. Cited 10 May 2022. <https://bit.ly/37p9kdr>.
- ❑ AfDB & FAO. 2020. *AfDB-FAO Digital Agriculture Webinar Series 24 June* [Video]. Cited 10 May 2022. <https://bit.ly/3uTBGFX>.
- ❑ AfDB & FAO. 2020. *AfDB-FAO Webinar on Digitalization to transform agriculture in Africa and respond to COVID 19*. <https://bit.ly/3xvx4at> and <https://bit.ly/3M6hfLt>.
- ❑ AfDB & FAO. 2020. *Africa's agriculture value chains must go digital to transform production – webinar*. In: *Africa Development Bank*. Abidjan, AfDB. Cited 10 May 2022. <https://bit.ly/3vnxwF4>.
- ❑ AfDB. 2020. *Data-driven advisory services key for Africa's agricultural development*. In: *Africa Development Bank*. Abidjan, AfDB. Cited 10 May 2022. <https://bit.ly/3EfgPzC>.
- ❑ FAO. 2020. *African Development Bank and FAO wrap up webinar series*. In: *FAO Investment Centre*. Rome, FAO. Cited 10 May 2022. <https://bit.ly/37UCwZW>.
- ❑ FAO. 2020. *The future of digital agriculture in Africa: Data-driven solutions for financial inclusion and bundled services*. In: *KORE: Knowledge Sharing Platform on Resilience*. Rome, FAO. Cited 10 May 2022. <https://bit.ly/3KKz6Y4>.



ACHIEVEMENT OF RESULTS - LOGICAL FRAMEWORK

Expected Impact	Enhanced food and nutrition security, reduced poverty and improved livelihoods		
Outcome	Countries implemented effectively policies, strategies and investment programmes supportive of inclusive and efficient agrifood systems development		
	Indicator	Number of countries that effectively implement their policies, strategies and investment programmes.	
	Baseline	0	
	End Target	4	
	Comments and follow-up action to be taken	The project supported a total of eight countries in developing and implementing investment operations (Burkina Faso, Burundi, Central African Republic, Chad, Côte d'Ivoire, Democratic Republic of the Congo, Niger and Senegal). Three additional countries in East Africa (Kenya, Uganda and United Republic of Tanzania) developed an investment proposal on strengthening food safety.	
Output 1	Enhanced capacities to create an enabling policy and regulatory environment for technology adoption and increased public and private investment in selected commodity value chains		
	Indicators	Target	Achieved
	Number of regional and national policies, legislations, regulations and other instruments, drafted and/or adopted.	10	Cancelled
Baseline	0		
Comments	This output was not achieved and was eventually cancelled. The output was designed to form part of the Policy and Investment Enabler Compact of the AfDB's flagship TAAT programme. Funding for TAAT II did not materialize during the TCP implementation period. This, coupled with COVID-19 disruptions that prevented in-country travel, resulted in the restructuring of the project and the cancellation of this output, without affecting the main objectives and outcome of this TCP project.		
Activity 1.1	Food safety control policy analysis, implementation and coherence		
	Achieved	Cancelled.	
	Comments	See above.	

³The priority countries at the time of project formulation were: Cote d'Ivoire, Democratic Republic of the Congo, Guinea, Niger and Rwanda.

Output 2	FAO priority countries are supported to design, implement and evaluate investment projects and programmes		
	Indicators	Target	Achieved
	Additional volume of investments mobilized with substantial support from TAAT.	USD 500 000 000	Partially
Baseline	0		
Comments	The project provided support for the preparation of investment projects valued at over USD 80 million. A significant output of the project was the development of a cooperative agreement between the AfDB and FAO to provide technical assistance in the preparation and implementation of investment operations in Central Africa, targeting over USD 20 million over a period of three years.		
Activity 2.1	Investment programme support		
	Achieved	Yes	
	Comments	<p>The project supported the formulation of the following investment projects:</p> <ol style="list-style-type: none"> 1. <i>Projet de Renforcement des Moyens de Subsistance des Petits Exploitants et des Femmes dans la Région du N'zi</i> (PREMOPEF): USD 14.8 million 2. Strengthening Food Safety Standards for Improved Competitiveness of SMEs in the Sahel; 3. <i>Projet d'Amélioration durable de la productivité et compétitivité des chaines de valeur viande et lait au Tchad</i> (PAPCV-VL); 4. AfDB-FAO Cooperative Programme: Technical Assistance to Improve the Design and Implementation of Agriculture Investment Projects in Transition States in Central Africa (AFTACA); 5. <i>Projet d'Appui au développement des chaines de valeur intégrées de l'élevage au Burkina Faso</i> (PADCVIE); 6. Strengthening of Food Safety Standards for Trade and Public Health Promotion in East Africa; and 7. Technical cooperation to strengthen the linkages between knowledge, technical assistance and development investments in meeting the targets of Feed Africa of the AfDB. <p>In addition, the following capacity-development activities were carried out:</p> <ol style="list-style-type: none"> 1. A webinar series on the digitalization of food and agricultural system solutions to respond to the COVID-19 crisis and transform Africa's agricultural sector, jointly organized by FAO and AfDB, was attended by over 900 participants. 2. Two investment toolkits were developed: (i) a guidance note for investments in Africa's digital agriculture; and (ii) a guidance note designing climate-smart agriculture investment programmes. 3. A capacity needs assessment was carried out in three countries (Central African Republic, Chad and Democratic Republic of the Congo) and accelerated capacity-development plans to improve national capacities to plan, formulate, manage and implement agricultural investment operations to deliver better development outcomes in the Central Africa region were developed. 	

Partnerships and Outreach

For more information, please contact: Reporting@fao.org

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