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Statement of Dr. Ibrahim Assane Mayaki CEO of the NEPAD Planning and Coordination Agency

Honourable ministers, Distinguished Director-General Graziano and regional directors, distinguished guests, ladies and gentlemen representatives of international organizations, civil society and Farmer organizations and professional organizations, dear participants.

First of all I would like to extend the greetings of the Chairperson of the African Union Commission, Dr. Dlamini-Zuma, who was not able to attend this meeting. You know that NEPAD, as a programme of the African Union, is under supervision authority of the chairperson.

This 28th Session of the Regional Conference for Africa is being held in a landmark year for the AU, which is celebrating at the same time 10 years of CAADP and the Year of African agriculture and food security and UN international year for family farming.

It is also organized on the eve of the Joint AU Ministers of Agriculture, Livestock, Fisheries, Aquaculture and Rural Development to be held in Addis Ababa at the end of next month which we prepared in Durban last week during our annual Partnership platform of CAADP. Let me here convey some messages that we, as development agency of the African Union, consider as critical for addressing challenges of our continent through agriculture development.

(Some recap of trends and challenges in African agriculture)

In the last several years many African countries have seen significant growth in their economies. However the continent still faces major challenges including Food and nutrition insecurity, unemployment particularly of youth and women and this situation is most acute in rural areas and peri-urban areas.

Africa is urbanizing rapidly and the urban population is expected to reach 50% by 2035, with consequences in terms of increased demand for marketed food, control of rural-urban migration and pressure on our natural resources. CAADP will significantly contribute to addressing these challenges. It is now clear that CAADP must be an agenda for transformation.

We have repeatedly said that we would achieve our goals only by a thorough handling of our natural capital, by reducing inequalities, increasing capacities, empowering women and youth and creating wealth and a conducive investment environment for farmers.

The last decade was marked by a major change in the situation on agricultural markets and a reversal of the downward trend in prices to the point that African agricultural production by value increased by more than 10% per year on average against less than 2% per year during the decade prior to CAADP. Obviously, if we look at the figures in terms of volumes, we still stand below the 6% target that we set for CAADP since the increase for cereals for instance was only 3.7 % per year. Nevertheless this illustrates a very positive development when compared to the 2.3 % before the setting up of CAADP. And this should be an encouragement to go further in our efforts. Because even if we actually made progress, it is absolutely fundamental to maintain the momentum. What I want to emphasize here is the importance of boosting our leadership by drawing lessons from the past decade and achieving vigorous commitments.

(Caadp as a political stake)

After ten years of CAADP, many former sceptics have now become fervent supporters of the dynamic framework and its process. CAADP has now become a recognised "brand" throughout Africa and the rest of the world.

CAADP has established itself as the expression of reclaimed ownership of agricultural policy by African States and citizens of the continent. In that sense it was a means of breaking away from the conditions and restrictions imposed by 20 years of structural adjustment. What is the strength of CAADP is a common desire of all parties to contribute to a vision and a programme set by Africans. The shared idea that our partnership should support the development of the African agriculture led by Africans is at the heart of CAADP and the AU. The main success of CAADP was to foster political alignment. It was the major shift made in the approach to development aid.

Nevertheless, every day, CAADP has to keep alive the notion of partnership whose renewal was the raison d'être of the NEPAD.

(3 challenges to avoid the erosion of the thrust)

Expectations raised by CAADP are high. Maintaining the initial thrust and enthusiasm implies addressing challenges of the maturity with zeal and unwavering commitment. I see 3 factors that might put CAADP at risk.

The first challenge is to ensure to respond to hopes raised at country and REC level and to thereby affirm the impact of CAADP by ascertaining whether or not the process has really contributed to an increase in production and to resource mobilisation.

In this regard, we, as African decision makers, need to recognize we can do better in terms of mobilising domestic resources for Agriculture. And we need to take action. Since 2003, only 13 countries have met or surpassed the CAADP target in one or more years. The increase of public expenditures in agriculture is quite the same as public expenditures in other sectors. Overall in Africa, the share of agriculture in national budget remains around 4% which is far below the 10% commitment even if some countries have made considerable efforts. One might discuss some methodological issues regarding the calculations leading to this statement, nevertheless, given the low overall levels of total

national expenditure, there is no doubt that we still rely on external financing for the development of our agricultural which is neither desirable nor sustainable.

A second risk is that of bureaucratization within CAADP. We agree that by focusing on the issue of investments, we have attracted attention since the African party and donors agree on it, but in practice, however, speaking only of investment leads to creating dependence with regard to donor funding strategies.

Some stakeholders consider that CAADP "does not speak enough to their problems". They view CAADP support as overly focused on methods and processes - and lacking focus on farmers' priorities. Such priorities include getting prices right, improving access to appropriate sources of financing, developing market opportunities, distributing added value across sectors and ownership of natural resources and land. If this discourse is not sufficiently addressed at country level, then our role at NEPAD, as Pan African institution is to make sure that such issues are taken into consideration. It is a second argument for CAADP to develop a vision for agriculture at the continental level.

This observation has motivated us to be clearer in the positioning of institutional and policy reforms apart from advocating for investment. We then have taken a clearer line on the field of economic policy and we consider that economic regulation will need to be at the core of the development agenda. In view of which CAADP has to be looked at from a multisectoral perspective.

The third challenge stems from the risk for decision-makers to be diverted from the commitments that might not reflect Africa's agenda or interests. This competition applies for instance to private sector resources, which public administration admit they cannot do without. The concern for NEPAD is to ensure that investor interests converge with those of the main stakeholders and for instance as a co-chair of Grow Africa it is my responsibility to guarantee that it is aligned to CAADP. Also it is thus important that producer organisations put their opinions forward and engage in dialogue with the other private investors.

Let me here put things at their right place. Whereas some billions are pledged in international fora organized by donors like the G8 or the G20, the principal African investors are farmers themselves, among them 80% are smallholders, who invest around \$100 billion every year in their farms, despite the almost total lack of credit facilities for the vast majority of them.

(Some strong position)

Building on the political leadership that the continent has shown in the last 10 years we consider the following 3 issues as of political priority:

- 1. Capitalise on the achievements so far in order to enhance impact: perform beyond establishing plans and processes by concentrating on implementing the plans and creating an enabling economic environment for a sustainable increase in productivity.
- 2. Reaffirm leadership by better articulating actions with continental and regional organizations, improving our partnership with farmers and private sector and better mobilizing domestic resources;

3. Designing the future to build consensus around policies that are inclusive and based on credible statistics and information and give a vision for the role of agriculture in the development of the continent.

The CAADP Results Framework is a fundamental pillar to advance concretely many things we just talk about – from alignment through to accountability matters. It is technical as much as it is political; it is the space where we shall concretely compel and achieve synergies and complementarities.

The inclusive exercise we have conducted during the last months to sustain the CAADP momentum led us to take stand on actions for the next decades and towards the achievement of the 2063 Agenda. Let me cite the most relevant ones.

- We should upgrade the African food security strategy to a food sovereignty strategy and regional preference; which implies notably to adopt a progressive approach in the integration to world markets and to more actively involve in international negotiations for improving access to developed and emerging countries;
- We should refocus public intervention by concentrating on market failures in
 particular by promoting risk coverage and provision of public goods with
 considerations for environmental and nutrition policies. On a personal note as
 Lead member of SUN, I would like to reiterate the necessity of ensuring that
 Nutrition is mainstreamed in all our interventions and that the Zero Hunger
 initiative will contribute to it. Therefore efforts should be made to attain the
 committed objectives of public expenditures dedicated to agriculture and nutrition.
- We should promote inclusiveness which implies social protection through productive safety nets for the most vulnerable and contractual relationships, leading to a more balanced distribution of added value within the value chains and the empowerment and strengthening of rights for women and improvement of local governance on local resources especially land and water, and promote access to sustainable and renewable sources of energy. We should promote the prioritisation for sustainable farming systems that are labour intensive and environmentally friendly which should lead to sustain our support to family smallholders.

Quality Investment plans alone will not deliver the desired results and sustainable impact, if the policies and institutional capacities are not aligned and strengthened to support Africa's vision on an agriculture-led growth and development. This will require clear and many times collective determination to take controversial positions such as proactive policies to support and protect our agriculture and farmers as well as investments in the face of global competitiveness.

We believe that the time has come to give a new impetus to CAADP to allow the legitimate expectations of states and African people to be met while providing a clearer perspective and the overall role of agriculture in the socio-economic transformation of the continent.

Excellences, dear participants, we could find some energy, motivation and hope in the wisdom of Mandela who recognized that "After climbing a great hill, one only finds that

there are many more hills to climb". These words should encourage us to keep confidence in our capacity to do better for our people. We have made significant progress on the implementation of CAADP but there is still much work to do to achieve our goals for a prosperous continent. It is my hope that together we will achieve the CAADP goals.

I thank you.

27 March 2014