

Executive Summary

OPTIMISM FOR AFRICAN AGRICULTURE AND FOOD SYSTEMS



Chairs' Summary High-Level Dialogue

Harnessing Innovation for African
Agriculture and Food Systems:
**Meeting the Challenges and
Designing for the 21st Century**

African Union Conference Centre
Addis Ababa, Ethiopia
25-26 November 2013



Kofi Annan
FOUNDATION



BILL & MELINDA
GATES *foundation*

[www.merid.org/en/
Africanagricultureandfoodsystems.aspx](http://www.merid.org/en/Africanagricultureandfoodsystems.aspx)

Prepared by Meridian Institute

Meridian Institute is a not-for-profit organization whose mission is to help people solve problems, make informed decisions, and find solutions to some of society's most complex and controversial issues. Meridian's mission is accomplished through applying collaborative problem-solving approaches including facilitation, mediation, and other strategic consultation services. Meridian works at the local, national, and international levels and focuses on a wide range of issues related to natural resources and environment, science and technology, agriculture and food security, sustainability, global stability, and health. For more information, please visit www.merid.org.



Meridian Institute

Connecting People to Solve Problems

Executive Summary

African agriculture and food systems are changing rapidly in positive and exciting ways. Africa has the agricultural potential not only to feed itself but also to grow a surplus to help provide global food security. However, fulfilling this potential requires efforts from both within and outside the continent. It requires a broad perspective – looking at the needs of smallholder farmers as part of food systems and supply chains and considering agricultural productivity, food security, and nutrition in the context of overall economic development and social stability.

Leaders throughout Africa agree that it is necessary to invest in and sustain the momentum of the positive transformations taking place. In that spirit, and in support of the 2014 Year of Agriculture and Food Security in Africa and the 10th Anniversary of the Comprehensive Africa Agriculture Development Programme (CAADP), the African Union Commission (AUC) and the Kofi Annan Foundation, with support from the Bill & Melinda Gates Foundation, convened a select group of distinguished leaders with a deep commitment to agricultural development in Africa to discuss “Harnessing Innovation for African Agriculture and Food Systems: Meeting the Challenges and Designing for the 21st Century.” Dr. Nkosazana Dlamini-Zuma, Chairperson of the AUC and former UN Secretary General Kofi Annan chaired the high-level dialogue to reflect on successes and challenges in African agricultural development and engage African leaders in conversation about opportunities for concerted action.

The meeting highlighted the needs of smallholder farmers, emerging transformations in the agriculture and agri-food sectors, the role of the private sector, and other forces of change in Africa. These leaders recognized that scaling, amplifying, and transferring success needs to be done in a way that allows for unique regional and national approaches and that it will require ongoing commitments from all sectors. The dialogue was forward looking and reflected a resolve among participants to help further the progress being seen and promote positive transformation through focused and coordinated leadership. Appendix A lists the participants.

Optimism for African Agriculture and Food Systems

The Evolving Narrative for African Agriculture and Food Systems

The language used to talk about African agriculture and food systems has been shifting in recent years and high-level leaders are paying new attention to the positive role that African agriculture plays in economic development across the continent. This narrative and accompanying leadership vision emphasizes farming as an important business, which, when linked with other enterprises across the food system supply chain, serves both rural and urban communities, not just by providing food security, but also as fuel for local economies, a foundation for cultural and social stability (including important roles for women and young people), and a driver of infrastructure development that benefits all sectors. This exciting and evolving vision is reflected in the findings from the dialogue and draws heavily from the advancements made by the CAADP Results Framework, work being done by CAADP to capture “drivers of success” in agriculture across the continent, and other efforts to build momentum for this positive direction.

Promising Transformations Signal Potential for Rapid Growth in African Agriculture and Food Systems

Presentations¹ by Boaz Keizire-Blackie, African Union Commission, and Professor Thomas Reardon, Michigan State University, illuminated reasons for optimism about the future and underscored the need for a better understanding of the challenges being faced. Their studies indicate that a number of countries are seeing strong growth in food and agriculture and there is potential for rapid growth in the agricultural sector across much of Africa. They see a tremendous opportunity to support and coordinate transformations already underway and to scale successes continent-wide.

Urbanization, Diversification of Food Markets, and Food Systems as Engines for Growth: Africa’s population is expected to more than double by 2050 and its urban population is predicted to grow to 60 percent of the total population. Already, urban areas represent the majority (roughly 60 percent) of the African food economy and food security for the urban population has raised concerns as increasing urban food needs and diet diversification are driving rapid

increases in demand. However, these demand challenges can also drive development opportunities. Rural-to-urban food supply chains are developing rapidly to meet expanding urban demand. African entrepreneurs, both large and small, are investing throughout the supply chain, from inputs to processing to retail. These entrepreneurs are helping farmers achieve productivity gains and providing the critical functions that link rural economies to expanding urban markets in Africa. The food supply chain functions as a two-way flow of resources, providing sustainable sources of food to urban residents and financial resources back to rural economies.

Government’s Critical Role in Creating Enabling Conditions for Growth and Transformation: A number of countries are demonstrating how sound agricultural policy and implementation can result in remarkable growth rates (5 to 7 percent as opposed to a 3.8 average for Africa). Several countries are showing that productivity improvements can have major impacts on food and nutrition, security, and poverty alleviation, while also conserving land and resources. Policy and institutional innovations can encourage appropriate growth and engage the private sector to develop markets and supply chains. However, political leadership and vision, a coordinated strategy, and a long-term commitment are also essential.

Opportunities to Advance Change

Recent studies document agriculture and food systems’ contributions to economic growth, employment, and security in many regions of Africa, but these transformational changes need attention to resolve bottlenecks, maintain momentum, and optimize for the greatest benefit to all layers in the economy and society. This is an important time for policy, institutional, technological, and financial innovation. Senior leaders from all sectors have critical roles to guide the development of new policies and strategies that are aligned with and amplify the transformations taking place. A number of themes emerged in the discussion of the key forces of change. These themes also align with the findings emerging from the CAADP’s Results Framework (Appendix B) and the CAADP report “Sustaining the Momentum in the Next Decade.”²

Government-Led Vision for Agricultural Entrepreneurship: African governments are taking leadership roles in setting the vision for what farming and food systems should look like in their countries. Country policymakers are making decisions about the institutional transformations they want to see and the national policies that

1 www.merid.org/Africanagricultureandfoodsystems/Background_Documents.aspx

2 NEPAD Planning and Coordinating Agency, “CAADP – Sustaining the momentum into the next decade, Implementation Report,” July 2012.

will create enabling environments for business growth, allowing farmers and agri-food businesses of all sizes to prosper. Government policies and resources are being used to incentivize investment, set appropriate regulations, support communication and planning across sectors, and provide safety nets to manage risks.

The Smallholder Farmer as an Agent of Change: Smallholder farmers are achieving productivity gains and contributing significantly to agricultural growth in some African countries. Many smallholders are women, who play central roles not just on the farm but throughout the food system by helping to ensure household-scale nutrition and community-wide food security. Farmers are building business management skills that help them better manage resources and risks, while access to real-time and better data is resulting in better decisions. Farmers organizations are helping to support cross-cutting functions, share best practices, disseminate innovation, and inform decisions.

Capturing the Potential of Youth in the Labor Force: One of the major challenges facing the African continent is the growing population and its large percentage of young people. Farming and nonfarm rural employment is currently not appealing to young people, but there is tremendous potential to provide opportunities for productive employment, income generation, and a life of dignity. For the desired transformations to continue, farming and the agri-food sector need the creativity, technological skills, and engagement of young people. A myriad of mechanized farming, food processing, transportation, marketing, and other small business opportunities are emerging that need talent and skills to fill their ranks so that they can grow and expand to create meaningful employment for African youth.

Incentivizing Market-Driven Solutions: Market-driven institutions are playing critical roles in transforming rural-urban supply chains. In some countries, the private sector and government or quasi-governmental organizations are filling crucial needs in supply chains. The top tier of farmers who are linked to growing urban and regional markets are investing in better inputs, natural resource conservation, and mechanization (to a more limited extent). Small and medium-sized African businesses are emerging in rapidly growing numbers. Global business also sees tremendous opportunity for growth and is investing in Africa. Governments play an important role in incentivizing these investments.

Increased Access to Financing: Affordable and sustainable financing is expanding and helping to scale up successes in farming and post-farmgate businesses (processors, distributors, and wholesalers). However, rural investors (e.g., farmers, small and medium enterprises [SMEs]) need access to predictable, appropriate, and affordable credit.

Harnessing Science, Technology, and Innovation: Science, technology, and innovation will continue to play an important role in increasing productivity and efficiency across the supply chain, for instance by improving the quality of products relevant to smallholders (including availability of high-quality seeds and fertilizer). Engaging in demonstration projects to test improvements developed in other countries and regional approaches to research and development that create economies of scale across agroecologies could improve cost effectiveness.

Expanding Data and Information: Data and information are critical to good decisionmaking along the entire supply chain and particularly at the farm level. Many examples illustrate how data can be an empowering tool to help make better decisions and mitigate risks associated with natural and market forces. Market demands inform crop selection and livestock products. Supply chain information and data about areas under cultivation will help governments evaluate policies and programs. Policymakers need information to measure the impacts of policy interventions and track the performance of the agri-food sector.

Actions to Drive a New Vision for African Agriculture and Food Systems

Translating individual successes into lasting and positive trends will take leadership and vision coupled with investment and implementation. Leaders need to move beyond commitments to action. The meeting participants shared their thinking about approaches to harness the rich potential of Africa's agriculture and food systems as a driver of economic development. The outset of the 2014 Year of African Agriculture offers a unique opportunity – specific actions are needed around the following priorities to support and improve agriculture and food systems at the national and regional levels and throughout Africa:

- **Establish metrics to measure performance and achievements:** A first step in advancing action is to agree on where we need to go and how to measure progress. Although some metrics for measuring progress are known, more information about what is driving the positive changes in agriculture and food systems in Africa is needed to provide baseline understanding, scale up the successes, and guard against unintended consequences. Metrics should enable mutual accountability among governments, farmers, the private sector, civil society, and donors.
- **Improve information and data availability and access:** Another foundational element to affect change is good information. A big push is needed to get more and better data into the hands of decisionmakers at all levels. Better information can support fact-based management decisions, policies, and investments and strengthen monitoring and evaluation.
- **Amplify the voices of African leaders:** Building on existing structures from CAADP and preparations for “Maputo 2,”³ African leaders have an opportunity beginning with the 2014 Year of African Agriculture, to create a galvanizing vision to reengage the agricultural sector and partners that are critical to supporting the positive transformations taking place. Specific policy recommendations may be developed in preparation for high-level events in conjunction with the Year of African Agriculture and Food Security, CAADP’s 10th anniversary, and other relevant and high-profile efforts.
- **Expand private sector engagement and investment:** Many examples have been identified where private sector investment has generated significant benefits for smallholder farmers, rural communities, and local economic stability. Encouraging private sector investment was highlighted as an important action to help advance change. Commitment is needed at senior levels in government (e.g., to create an enabling environment) and within the private sector (e.g., to scale up successes) to develop new models for Africa and promote additional investment and growth among small, medium, and large businesses.
- **Engage Africa’s youth in agricultural entrepreneurship:** There is both a great need for and a potential that could be realized from the engagement of youth and women in the agricultural sector. Agriculture offers a mechanism for building skills and accessing education and training opportunities for a generation of youth that is key to the future of Africa. To attract the younger generation, the agri-food sector needs to be redefined to reflect the promise it holds for developing business and mechanical skills as opposed to the work of manual laborers and subsistence farmers.
- **Promote regional and subregional cooperation:** Engage national leaders, regional economic cooperation organizations, and other key players in policy discussions to address opportunities and challenges that span national boundaries. These discussions could address a range of issues particularly relevant to agri-food systems at a regional level.

Conclusions

Drawing from the lessons learned about successful interventions to drive agricultural productivity increases and poverty reduction, African leaders are working together to create an enabling environment that will help to catalyze progress in African agri-food systems. Lessons need to be shared more broadly, innovation is needed to adapt lessons to different national contexts, private sector investment needs to expand, and collaboration across sectors and stakeholder groups is required to scale up successes across Africa. Visionary leadership and hard work needs to be supported by relevant data and systems that inform decisions and allow experimentation to determine which interventions work best.

The November 2013 discussion in Ethiopia was clear – African leaders must raise their collective voices in global, continental, regional, and national discussions to articulate a clear vision and agenda that all stakeholders can support and hold each other accountable. Partners at all levels and across the public sector, the private sector, and civil society have key roles to play in implementation and driving success. Together, we are witnessing the dawning of a new era for African agriculture and food systems.

³ In 2003, the AU Assembly of Heads of State and Government adopted the Maputo Declaration on CAADP, setting broad targets of 6 percent annual growth in agricultural GDP and allocation of at least 10 percent of public expenditures to the agricultural sector. The June 2014 AU Summit will be focused on the Year of Agriculture and Food Security in Africa and commemoration of the 10th Anniversary of CAADP. Commonly referred to as “Maputo2,” this event will bring Heads of State and Governments together to seek a declaration on “agricultural transformation and inclusive growth for shared prosperity and improved livelihoods.”

