



AGRF 2016 – PRE - EVENT REPORT

Day 3 - Wednesday, September 7

11am- 12:30pm

Ministerial Roundtable: Malabo Declaration Commitments and the Sustainable Development Goals (SDGs)

SESSION BRIEF

Goals

- Unlock \$200 billion in investment in African agriculture - Government budget unlocked for agriculture, Private sector investment agreement and Innovative financing schemes launched.
- Accelerate smallholder inclusive agriculture transformation in at least 20 countries – commonly agreed agricultural transformation agenda, Execute prioritised policy change, Implementation of county specific delivery mechanism and create agriculture transformational leadership programme.
- Agriculture transformation scorecard for accountability and action – Implement a transformation scorecard in line with Malabo and mutual accountability to actions and results.

Next 18-24 Months Action Plan:

- National Agriculture Investment Plans refreshed or developed in a number of countries that demonstrate clear plans for unlocking 10% target in a way that leverages additional investment.
- Movement on at least 5 major deals per country.
- Several new national leveraging and SME agriculture financing mechanisms established, at least 2 Social Impact Bond in design and 5 additional countries adopting inputs subsidy e-wallets.
- Identification and unlocking of 5 main policy and regulatory bottlenecks per country that are inhibiting agricultural sector growth.
- At least 4 additional countries established fully operational agriculture transformation delivery mechanisms.
- Learning journey developed, first wave of agricultural leaders gone through leadership journey.
- Scorecard agreed and developed including a one page snapshot for heads of state.
- Prior to 2018 AU Heads of State meeting at least two ministerial peer review roundtables have been held.

5 Year Commitment

- Investment plan refreshed or developed that unlock 10% of public expenditure on agriculture and can be demonstrably leveraged off to attract significant additional resources.
- Commitments made by private sector through platforms such as Grow Africa or others to bring at least \$40 Billion of private investment in Africa agriculture are actualized are galvanize broader investment.
- Development and launch of innovative financing mechanisms, including SME agricultural financing mechanisms such as NIRSALS, Social Impact Bonds, catalytic financing facilities and agriculture relevant e-wallet and digital financing mechanisms.
- At least 20 countries to develop their agriculture transformation agenda, including identification and significant scaling up of 5 priority value chains per country with strong links to smallholder agriculture, strong focus on youth unemployment and building resiliency to shocks to the agriculture system.



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- Implementation of prioritised policies, both at national and regional level that supports the continental transformation agenda.
- Delivery units tied to highest level of government empowered and actively driving the transformation agenda.
- Develop a cross sector 2 year leadership capacity journey for 50 leaders per country fueling momentum for national agriculture transformation agendas.
- Agree to a common set of metrics within the context of CAADP against which to measure and assess success agricultural transformation within and across countries.
- Peer Review and mutual accountability undertaken and aligned to a CAADP result framework biennial agricultural review process.

Organizer: AGRA

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Name	Picture	Discussion
<p>Mr. Sean De Cleene, Chief, Strategy & Partnerships, AGRA</p> <p>Role: Moderator</p>		<p>In opening the “Ministerial Roundtable”, Mr. De Cleene noted that the aim of the session was for the ministers to engage with each other and share their candid views about agriculture transformation and where they are at country level.</p> <p>The development partners and selected private sector stakeholders that attended were invited to share their respective strategies outlining their support toward the achievement of the Malabo Commitments. They were also asked to share their successes, challenges and plans for the next 5 years and beyond.</p> <p>He further noted that key areas of focus for discussion included : a) the need for improved infrastructure (roads, storage, ports, rail, energy), b) improved access to credit, blended capital (i.e. including grants) and equity capital (including private equity and impact investment), and c) capacity development (knowledge dissemination of modern farming practices employing inputs, mechanization, soil analysis etc.</p> <p>The need for improvement in these areas has been a major stumbling block to agriculture growth. Therefore, ‘Seize the Moment’ should also be interpreted as an opportunity for us to look at how our investment (from the public sector, private sector, development partners) can be used to: 1) unblock issues related to access to capital, 2) promote improved policy design and</p>



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		<p>implementation, 3) motivate greater stakeholder accountability, 4) and, stimulate greater dialogue between the public and the private sector etc. etc.</p> <p>Mr. De Cleene further noted that representatives of banks, business, development partners – as well as all ministers in attendance were also invited to share their expectations of the meeting as well and to add input about how they might want to engage with their counterparts to see how collectively they can aggressively pursue the Malabo targets.</p> <p>He continued further that his hope was to have by the end of the session very tangible commitments. The following questions were then addressed to all the stakeholders present:</p> <ul style="list-style-type: none"> - What is the financing structure needed to make this transformation work? - How can the private sector get involved? What is their commitment? - How else can all stakeholders contribute to small holder farmers’ development growth and work with common goals? - What is needed to get stakeholders be more accountable?
<p>Dr. Ibrahim Assane Mayaki, CEO, NEPAD Agency</p> <p>Role: Setting the Stage</p>		<p>Dr. Mayaki was called upon to set the scene for the deliberations and in doing so he chose to use the platform to reiterate the theme that developing a scorecard to benchmark and assess progress and development related to realizing the Malabo Commitments would be a very good thing.</p> <p>He also stressed the fact that a strong focus on strengthening the policy enabling environment will be needed to move this agenda forward and Africa leaders must be called upon to pursue the still as yet unrealized (for most countries) goal of allocating 10% of the National budget toward supporting agriculture. This investment would mark a key lever to show public support for agricultural development in their countries and serve as an incentive for the private sector to also invest.</p> <p>He continued by also discussing his thoughts on the need for a new way of thinking about rural development, urging that leaders should not consider their rural communities as those needing the bulk of national social assistance, but rather think of them as the future</p>



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		<p>economic drivers of the country as they resided and worked in the modern African agricultural centers.</p> <p>He further stressed that many of our institutions are weak in part because roles and responsibilities within them are not well defined. Project implementation should not just be coordinated by “experts” but also involved quality assessments and monitoring and evaluation processes. This review must also be noted as the responsibility of government leaders, of course working with stakeholders who equally are working to see the aims of CAADP and Malabo attained. Again here, he noted the potential benefit of using a scorecard to allow for transparency, and an easier way to follow progress, zero in on those things that need fine tuning, and as a way to identify obstacles to execution and address them efficiently.</p> <p>Lastly, he noted, “Seize the Moment” should be seen as a wakeup call for everyone to understand that the next 10 years in Africa will be extremely critical because the continent is on the verge of rising . . . but at the same time faces many prospective risks (climate change, low natural resource prices, rapidly growing population, isolationist global trade environment) that could as easily change this into a very difficult and potentially chaotic period! Agriculture, indeed more than ever, must be transformational and truly become a continental driver of economic development.</p>
<p>Panelists</p>		
<p>Dr. Chiji Ojukwu, Head, Agriculture Department, African Development Bank</p>		<p>Dr. Ojukwu used his opportunity to share with the Roundtable participants to reaffirm that the African Development Bank (AfDB) has made a commitment of \$24 billion over the next ten years to support agricultural transformation in Africa, which marks a 400% increase over previous commitments.</p> <p>He also said that there will be continuous support to Technologies for African Agricultural Transformation (TAAT) which is scaling up various agriculture technologies for millions of farmers and helping to accelerate access to commercial financing through proven approaches to reducing risks in commercial lending for smallholder farmers and other agricultural businesses.</p> <p>He urged that governments, the private sector and the continent’s banking institutions to step up and commit to invest along with the</p>



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		<p>AfDB and make concrete pledges to increase their capital investments in the agriculture sector.</p> <p>He acknowledged that as Africa is spending over \$30 billion dollars annually to import food and stressed that these resources could be much better spent on value added production - in many sectors – and as investment in export capacity and other more productive aspects of Africa’s economies.</p> <p>Dr. Ojukwu said that the continent has the potential to export food worldwide therefore there is a need to think catalytically. He added that banks need to shift strategies and encourage business investors not to work in silos but to be more inclusive and inclined to collaborate to maximize their impact.</p> <p>Lastly, he concluded that it is essential now to think more strategically and implement more commodity value chain development approaches. Rather than investing only in roads, more focus should be given to enabling countries to help scale up their companies that add value to agriculture produce and develop integrated businesses producing ‘maize’, ‘wheat’, ‘cashews’ etc. for domestic and export markets.</p>
<p>Ms. Alzbeta Klein, Director and Global Co-Head, Global Industrials, International Finance Corporation</p>		<p>Ms. Klein spoke about how she believes that the private sector should play a crucial role in helping to address the pressing challenges that agriculture is facing in Africa.</p> <p>Agriculture, she continued, should be everyone’s concern as the roughly 60% of the continent’s labor force is involved in this sector. She also urged that to reduce poverty in sub Saharan Africa, more investment would need to be made in processing facilities, food transformation and food security - as well as in the training of small scale farmers.</p> <p>It breaks her heart she added, to see how cashews from Cote d’Ivoire are processed outside of the continent and sold back in packages at a price producers cannot afford to buy. The IFC is therefore very happy to intervene in discussions where the acquisition of processing infrastructure is believed to be the solution going forward.</p>



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<p>Ms. Beth Dunford, Administrator of Food Security, US Agency for International Development</p>		<p>In her remarks, Ms. Beth Dunford reaffirmed the fact that the US has committed \$7 billion dollars to initiatives that focus on agriculture, small-scale food producers and the nutrition of women and children worldwide.</p> <p>She also mentioned that President Obama signed the US bill for food security and The Global Food Security Act of 2016 to show America's determination to accelerate growth that reduces poverty, hunger and malnutrition.</p> <p>She added that the continent should continue to improve farmer's livelihoods by identifying areas of improvement to scale up farmers' productivity levels and yields and stressed that African heads of States should therefore also show strong commitments, take ownership and think about what it is going to take to achieve food security by 2030.</p>
<p>Dr. Agnes Kalibata, President, Alliance for a Green Revolution in Africa</p>		<p>In her contribution to the discussion, Dr. Kalibata commented that it was important for Heads of State, Ministers and all the donors invited to participate in this meeting to also share their achievements – in addition to their pledges so that the participants could have a better sense of what factors drove their progress/ successes and what factors inhibited success and led to failures.</p> <p>It was crucial she said, to have discussions that would help member states to listen to their counterparts and to be able to exchange together their views on how to improve their delivery efforts and respond to the challenges faced in their respective nations. Through these interactions, ideally they would gain information and insight on strategies that can help them commit to clear targets and well defined frameworks to use to guide improvement in their economies</p>



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<p>Ms. Ertharin Cousin, Executive Director, World Food Program</p>		<p>Ms. Cousin joined the discussion by reaffirming that the WFP has committed to purchasing agricultural products worth at least \$120 million each year from smallholder farmers.</p> <p>This she said would provide a useful market to the farmers, but she implored African governments, the Private Sector and CSOs to work together to further de-risk the investment environment and strengthen the eco-systems that support smallholder farmers. This would encourage much needed additional investment and capital flow to this sector.</p> <p>She added that in the grand scheme of the resources needed to support smallholder farmers WFP’s contributions amounted to a mere 1% of what was needed and much more would be needed from the continent’s governments and other committed stakeholders of Africa’s agriculture transformation.</p>
<p>Mr. Mamadou Biteye, Director – Africa Region, Rockefeller Foundation</p>		<p>Mr. Biteye used his opportunity to share with the Ministerial Roundtable participants to mention that his institution would contribute up \$180 million in support of smallholder farmer development, through an allocation of \$50 million in support of AGRA (beyond the \$105 million already invested in AGRA over the last 10 years) and an additional \$130 million to be invested in its Yield Wise initiative, that was being managed by AGRA and other partners and which focused on the provision of improved storage, handling and processing technologies, with the overall overarching goal of reducing post-harvest losses on African farms.</p>
<p>Mr. Svein Tore Holsether, CEO, YARA</p>		<p>While he did not couch his comments in monetary terms, Mr. Holsether of global fertilizer giant, YARA, pledged that his company would continue to make significant investments in the fertilizer value chain in the many countries in Africa where they are active to help improve the access to needed fertilizer by smallholder farmers.</p> <p>He added that he felt that there were tremendous opportunities in the agricultural sector for growth, and over the next decade Africa could grow from being a net importer of food to become a global exporter of food.</p>
<p>Q & A</p>		



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Minister of State and Agriculture in Rwanda, Minister of Agriculture in Liberia, Minister of Sierra Leone, Minister of Uganda, Private Sectors and Donors (Bill and Gates Foundation, USAID, IFC, AfDB) McKinsey, AGRA President, President of NEPAD

- 1) At your country level what will you do to unlock investment, what do you need to make this happen?
 - RE: Hon Charles John Tizeba, Minister for Agriculture, Tanzania: Hon. Tizeba agreed that Malabo is a solution however he also added - quote: “the arguments are different for country to country, a combination of measures has to be put in place. It has to be focused - in Tanzania we are focusing on the rural areas. Rules and regulations have been put in place. However, our banking systems are not that developed, farmers cannot access these funds. Infrastructure – particularly roads - are one of our key focus areas to help improve/ lower the costs of production. (i.e. the Southern Corridor). The lending policies of our financial institutions are also being looked into, but banks are reluctant to give money to farmers.”
- 2) What do you think is needed to make the transformation journey successful?
 - Dr. Moses Zinnah, Minister of Agriculture in Liberia: Dr. Moses noted that he was fortunate to have been in the Ministry for 10 years. He said – quote: “Liberia needs leadership, and to look at what is working and why. The Liberian President took on this monitoring and evaluation role personally in October 2015 to review how the Ministry of Agriculture was performing in terms of the targets she set. Every week each department needed to report back on their progress. Allocations doubled due to the Departments competing to do well and budgets went significantly up by 3% to 4% in 2016”.
- 3) What is going to determine the need in terms of transformation?
 - RE: Hon. Tony Nsanganira, Minister of State, and Agriculture in Rwanda: Mr. Nsanganira said that for Rwanda the message had to go beyond seizing the moment. He mentioned the political will that governments should have to succeed in their commitments and goals. He added – quote: “the sector of agriculture is very key and Rwanda has invested heavily through the government budget. Rwanda is investing 10-12% into the foundation of agriculture. The Rwanda Ministry of Agriculture also believes there is more to do, but laments that Rwanda alone cannot achieve much if the region is not also increasing its investment as for a land locked country regional integration is key.”
 -
- 4) What are the things we need to unblock investment?
 - RE: Mr. Julius Shawa, Ministry of Agriculture, Zambia: The policies are very clear in terms of commitment. Mr. Shawa assured the participants that the Ministry of Agriculture in Zambia is working on making its programs smarter and working to improve in the development of infrastructure development. Also the private sector in Zambia is providing a critical role in terms of supplying farmers with inputs and outputs. Zambia is definitely pushing forward in terms of our transformational agriculture goals.”
- 5) What in your view needs to be done?



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- Re: Hon. Kontou Sommanologo, Ministre des Ressources Animaux au Burkina Faso: The Minister of Resources and Animals spoke in the absence of the Minister of Agriculture and stated – quote: “In Burkina Faso, we are an agricultural country and the government has chosen an integrated strategy in terms of livestock and agriculture. Our relevant ministries are already working together. The government has also worked tirelessly to address the need to develop our rural areas, and to distribute seed and quality fertilizer.

Other important activities we have pursued are geared toward de-risking agriculture and encouraging greater bank lending as well as supporting greater inclusion of women and youth in agriculture. Burkina Faso is a West African sub-regional agricultural power and we are leaders globally in a number of areas. We are a global producer of cocoa and nuts. We have moved beyond the productive first stage, and now we are moving towards the stage of greater value addition - toward greater transformation. Our government is working closely with the private sector to provide raw material and mechanization. Our government has also looked into ways to unlock investment and we have made significant improvement in this area. Our president has pointed out the need to improve further in our engagement with the private sector and we are looking at a new mechanism and framework to facilitate even greater private sector involvement in the agriculture sector. Burkina Faso is also looking for ways to develop our capital markets, to harness more finance for agriculture and to improve in our relationships with neighbourhood countries such as Ivory Coast”.

6) How can we work with the countries who committed and drive significant investment, what can you support?

- RE: Ms. Beth Dunford, USAID: Ms. Dunford said quote - “Africans have shown they committed to move forward. At USAID, we want to see if our 10% can unlock a further 100% - focusing on policy reform and implementation is crucial to us as an indicator of a country’s seriousness about executing their development plans. Through their actions and commitment, countries unlock donors’ funds.”

7) How will you work with these countries to create leverage effect?

- RE: Dr. Ibrahim Mayaki, CEO, NEPAD: Dr. Mayaki replied that; first countries need to step like the AfDB has - in making a 400% increase in its investment in agriculture. And yet, “here is still a \$23 billion gap between what has been pledged and what is currently being spent and what is actually needed - so it is important to develop instruments and mobilize additional resources. The private sector is only bringing \$1 billion. The obstacle is that presently, agriculture is still perceived . . . and frankly still largely operates within a development context . . . and there is not enough of a business structure across the industry. Banks and investors, however, want to see business. Thus, we must continue to advocate for the development of commodity value chains and strengthen the operators in the industry as a means of de-risking the sector and expanding the lending and investment targeted for the sector.

8) In your view, what are the things that drive transformation?



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- RE: Mr. Khalid Bomba, CEO, ATA in Ethiopia: Mr. Bomba couched his remarks around the value of the public sector and the impact that can be made when the focus is on effective service delivery. He said –quote - “Countries need Ministers to be aligned. ATA Ethiopia reports to Ministers every two months with a scorecard and it works pretty well. The other big issue is that we know what needs to be done, what we need to prioritize, and who is responsible for what, and within what defined time frames. In the next 5 years there will be 15 more deliverables.”
- 9) What are you going do to start to drive investment?
- RE: Mr. William Asiko, Executive Director at Grow Africa. Mr Asiko gave a simply solution stating that - quote “if you have made your plan without the private sector, go back and consult with them. Agribusiness is business. There is a need for governments to create better enabling environments for business. For the NAIPs to be executed Africa’s countries will definitely need more private sector players.”
- 10) What are your thoughts?
- RE: Dr. Bernard Rey, Deputy Head of Unit, EU, Rural Development, Food Security & Nutrition: The EU Rural Development, Food Security & Nutrition is looking at results, they produced a report with a scorecard for what they intend to achieve. “Government budget support presents a powerful tool for results. Rwanda is a major example with the way they intervended to boost their economy. We have been launching an agriculture support instrument and we need to push that because we feel it is essential. The dialogue with Africa and EU is a good thing as a lot of things have already been discussed, but we now need to revisit our focus on Africa’s rural areas and promoting agricultural sector transformation needs to be a big part of this dialogue.”
- 11) What are we going to do in 18 months?
- RE: Mr. Jai Shroff, Director, UPL India: The most exciting things is that the private sector can help agribusiness become a tool to improve farmers’ income. UPL India can bring technology for productivity and that reduces risks.
- 12) How can you develop both the telecom sector and Agriculture sector?
- RE: Mr. Bob Collymore, CEO, Safaricom: There is no single Sustainable Development Goal which agriculture doesn’t touch. “Telecoms brings stakeholders together. Safaricom can create connectivity between banks and agriculturists. We are using connectivity to help develop Kenya.”
- 13) Following all the discussions and comments, can you see that there is a real need for WFP? What are your thoughts?
- RE: Ms. Ertharin Cousin, Director, WFP: Ms. Cousin responded saying – quote: “WFP is known for saving lives but we can’t save the same lives every time. WFP has 7 Partners who are working to support all the tools on the platform, providing an opportunity to move WFP programmes forward. Stakeholders need to work together, participate with their own investments and de-risk. WFP is committing 1%, the rest should come from African institutions. That’s when you see sustainable change.”



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14) What would you be prepared to commit to?

- RE: Mr. Svein Tore Holsether, CEO, YARA: Mr. Holsether indicated that “there is opportunity in Africa to grow agriculture. We are very much in support of what is happening in the spirit of seizing the moment. The potato industry is a \$3 billion opportunity in East Africa”. YARA wants to focus on similar commodities that are very productive.

15) What is your take on this?

- RE: Mr. Ismael Sunga, CEO, SACAU said that a strong and inclusive policy environment should lead to the transformation of the agriculture sector. Everyone must look towards technology and take advantage of the agriculture value chain to grow farmers at every level in the continent.” Women in agriculture need to also play major roles and be supported by their governments. People need to work with more transparency, commitment and accountability if they need to see transformation and growth in the agriculture sector.

HE Rhoda Peace Tumusiime,
Commissioner, Dept.
of Rural Economy
and Agriculture, AUC



Role: Concluding
Remarks

HE Rhoda Peace Tumusiime, having listened to all of the stakeholders’ exchanges about the challenges and solutions faced by small holder farmers, acknowledged that the strong commitments made should have significant impact. She stated that she also believes that strong partnerships are a good tool for institutions to use to remain consistent in following through on their commitments. However, she still felt that it is crucial for institutions to work within some sort of aligned and structured framework, which she noted still has yet to be developed. She concluded by stating that she hopes that the organizations pledging will continue to report on their transformational processes. “Let us seize that moment!” she said.