

FOOD AND AGRICULTURE ORGANIZATION (FAO)

Support to NEPAD

Period of Report: 2005 to 2006

Preparation of the CAADP Companion Document

Approving the Comprehensive Africa Agricultural Development Programme (CAADP) at their Summit in Maputo in July 2003, the African Heads of State and Government asked the NEPAD Secretariat to prepare a Companion Document covering livestock, fisheries and forestry subsectors. Following a request from the NEPAD Secretariat, FAO approved a Technical Cooperation Programme (TCP) project to finance the activity. The three draft chapters were completed in 2005 and reviewed by the African Union (AU) and the NEPAD Secretariat. FAO has recently embarked on synthesizing the three sectoral reports into one document.

Formulation of the forestry component

The draft Forestry Document takes into consideration the forestry proposals under the environmental initiative supported by the United Nations Development Programme (UNDP). It draws heavily on the *Forestry Outlook Study for Africa (FOSA)* in its analysis of the current status of forests and forestry. FAO is undoubtedly responding adequately to the solid political commitment of African leaders to develop the forestry subsector, demonstrated at several Summits and meetings in 2005.

Fisheries and aquaculture component

The Fisheries Document identifies weak institutional framework, poor and ineffective fisheries management, and lack of human and financial resources, as the most critical constraints facing marine fisheries. For inland capture fisheries, the main constraints relate to overexploitation of available resources and poor and ineffective management.

FAO attended the “*Fish for All*” Summit held in Abuja, Nigeria (22-24 August 2005), in the context of NEPAD. The Summit endorsed an Action Plan prepared with the participation of 100 experts from the continent. Subsequently, the WorldFish Centre reviewed, at the request of the AU and NEPAD Secretariat, the Fisheries Document with the view to ensuring consistency between the Action Plan endorsed at the Summit and the strategic intervention areas identified in the fisheries chapter of the Companion Document prepared by FAO.

Livestock component

The Livestock Document highlights the importance of livestock, which accounts for over 50 per cent of the agricultural capital stock in Sub-Saharan Africa. Livestock’s contribution to agricultural gross domestic product (GDP) is, on average, around 30 percent, and over 50 percent in some countries. For many countries in Sub-Saharan Africa, the livestock sector offers substantial potential to increase food security, improve

livelihoods, enhance overall agricultural productivity and economic growth, and decrease import reliance. The document was discussed in various fora by livestock experts and finally endorsed at the AU Meeting of African Ministers responsible for livestock resources held in Kigali, Rwanda, from 31 October to 4 November 2005. The document will be soon translated for publication in the four AU languages with funding from FAO.

FAO also funded and provided technical assistance to the NEPAD Secretariat to organize the workshop held in Bamako from 28 to 29 January 2006. The objective of the workshop was to synchronize the Action Plans indicated in the NEPAD Livestock Companion Document with those of the Regional Economic Communities (RECs). The FAO/IGAD/EU “*Livestock Policy Initiative*” project proposal, regarded as one of the NEPAD Early Actions (EAs), is also at an advanced stage of approval.

FAO efforts to accelerate the implementation of the CAADP at country level

FAO has been providing financial and technical support to accelerate the implementation of the CAADP both at national and regional level. Efforts at regional level have been directed at supporting the NEPAD Secretariat and the African RECs.

Formulation of National Medium-Term Investment Programmes (NMTIPs) and Bankable Project Profiles (BIPPs)

One of the recommendations at the Maputo Summit was that “*NEPAD in cooperation with FAO would provide support for the preparation of national related projects for the purpose of securing funding.*” In this context, a meeting of Ministers for Agriculture of the NEPAD Implementation Committee held in Rome in September 2003 agreed on the need to formulate National Medium-Term Investments Programmes (NMTIPs) and Bankable Investment Project Profiles (BIPPs) as vehicles for implementing the CAADP. The meeting discussed methodology for the review of national long-term food security and agricultural development strategies, the preparation of NMTIPs and related BIPPs, and the possible establishment of a CAADP Support Group.

The following elements can be highlighted from the meeting:

- The formulation of NMTIPs and BIPPs, financed by FAO-TCP and Italian Trust Fund to the value of US\$7 million, is almost complete. Draft reports have undergone through a rigorous review process at national level.
- The NMTIPs were prepared by teams of national staff and consultants, assisted by FAO. They are broad frameworks for achieving agriculture and rural development. The indicative investment envelope of the NMTIPs is US\$26.7 billion (2004-2008). The analysis of government expenditures and commitments reveal that, over the five-year period, governments expect to commit around 5.6 percent of total public expenditure to agriculture. Only eight countries already meet or expect to meet the Maputo commitment of 10 percent. The result is that there is an estimated financing gap of some US\$17 billion between the programmes planned and the resources allocated.
- As of end of January 2006, close to 200 BIPPs were prepared with total investments

of around US\$7.3 billion. Some 45 percent of the projects identified (86) are targeted at the CAADP Pillar 1 which is concerned with soil and water management. A similar number of projects have also been identified targeting Pillar 2 for rural infrastructure development.

- The NMTIPs and BIPPs have been officially transmitted to governments, and on an informal basis, FAO has been sharing them with its International Financial Institutions (IFI) partners; WB, ADB, IFAD and the Islamic Development Bank (IsDB). The ADB has already expressed interest in two CAADP-related investment programmes.

CAADP Regional Implementation Planning (RIP) meetings

The most critical factor in moving towards effective coordination by RECs and direct implementation by countries of the CAADP agenda is the need to ensure empowerment and establish ownership at regional and national levels. In this context, four Regional Implementation Planning (RIP) meetings, co-sponsored by AU/NEPAD, G8 and other development partners including FAO, were organized during the course of 2005, followed by a continental round-up meeting on 21-22 April 2005, in Accra, Ghana. The objective of the meetings was to discuss and approve a set of EAs for the different RECs.

Financing the implementation of the NEPAD/CAADP

Following the adoption in Maputo of the resolution to allocate at least 10 percent of national budgetary resources for the implementation of the CAADP, the AU and NEPAD were requested to develop, pilot, and implement a system to monitor compliance with this resolution. FAO, together with other partners and in particular the WB, provided the AU and NEPAD Secretariat with technical support in organizing a consultative workshop in Johannesburg, from 12 to 13 September 2005, for representatives of ministries of both finance and agriculture from selected countries. The main document discussed at the workshop was the “status and issues” paper prepared by an international public expenditure management expert. This was followed by a workshop in Addis Ababa, in November 2005, to discuss the questionnaires and methodology involved for collecting information on budget allocation by member countries to agricultural development.

FAO Support to the Southern Africa Development Community (SADC) - Formulation of a Regional Programme on Agricultural Water Management for Food Security

FAO prepared a project concept note for the Southern Africa Development Community (SADC) Regional Programme on Agricultural Water for funding by the ADB. The programme was presented at the NEPAD-CAADP RIP Meeting in Maputo, in February 2005 and included as one of the NEPAD flagship programmes for SADC. The concept note, together with recommended areas for national investment projects, were presented to and approved by the SADC Council of Ministers of Agriculture in Swaziland, in June 2005.

The programme has two principal elements: (a) a region-wide component, focusing

principally on training, institutional development and transnational policy dialogue; and (b) a number of country-level investments to strengthen food security in rural areas through improved water management and related investments. Eight countries in three major basin areas are involved: the upper Okavango basin (Angola and Namibia), the mid-Zambezi basin (Botswana, Zambia and Zimbabwe), and the Lake Nyassa/Malawi/Niasa basin including inflowing and outflowing rivers (Malawi, Mozambique and Tanzania).

Work has commenced in the upper Okavango basin with the nomination by governments of National Coordinators and the recruitment by FAO of national consultants in both Angola and Namibia. For the mid-Zambezi river basin, National coordinators were also nominated by all three governments and recruitment of national consultants commenced. However, activities have been delayed in the case of the third basin by the late decision of Mozambique to participate and the request from the SADC Ministers to include Tanzania. Programme preparation is scheduled to be completed by June 2006 following a series of national validation workshops.

Support to ECOWAS

One of the recommendations of the above-mentioned retreat pertaining to the Economic Community of West African States (ECOWAS) was to consolidate the list of project/programme areas it had submitted for consideration as EAs areas. ECOWAS requested FAO assistance in this regard to which the latter responded by fielding a mission, in November 2005. The mission assisted ECOWAS in preparing a concept note on Regional Agriculture Investment Programme which included seven thematic areas for intervention for a total budget of US\$800-900 million. ECOWAS is currently striving to mobilize donor interest to fund the elaboration of the thematic programme into full-fledged investment programme documents and their eventual implementation. It is currently negotiating with FAO to assist in elaborating the Terms of Reference and cost estimate for the elaboration of each thematic area as the basis for discussion, between March and June 2006, with potential donors and IFIs.

Participation in the NEPAD Implementation Retreat

The NEPAD Secretariat prepared a *12-month Roadmap* for the implementation of the CAADP with input from key partners including FAO, which was subsequently endorsed by the African Partnership Forum (APF) in October. The objective of the Roadmap was to facilitate the transition of CAADP from framework to implementation at country level. The immediate follow-up of this was the RIPs meetings mentioned above, which was followed by the CAADP Implementation Retreat organized in Pretoria (24-25 October 2005). The objective of the Retreat was to allow representatives of RECs, as coordinators of the implementation process at cross-country levels, main bilateral and multilateral partners supporting the CAADP process to validate the EAs agreed during the RIP meetings. The outputs of the Retreat included: (a) reaching consensus on advancing the NEPAD process forward; (b) obtaining commitments from donors and other partners on funding implementation of EAs; and (c) dialogue and review of country process.