



Side Event Draft Concept Note

Title: “A RESPONSE TO THE WORLD FOOD CRISIS: SMALLHOLDER AGRICULTURE, FOOD SECURITY AND RURAL DEVELOPMENT IN AFRICA”

Sponsor/Co-Sponsor: FAO, IFAD, WFP, Permanent Mission of the Republic of Malawi to the UN, UNDP, the Earth Institute at Columbia University, UN-NGLS, UNAIDS, WB, Alliance for a Green Revolution in Africa (AGRA)

Date: 22 September 2008

Time: 3:00- 5:30 p.m.

Venue: Conference Room 2

Potential Moderator/Chair, Panelists/Resource persons [this information can be provides as it becomes available preliminary]:

It is proposed that Heads of State or Government (HoS/G) will participate in the meeting, with co-chairmanship by a HoS/G and an Agency Head. Participation by the President of Malawi is strongly supported as a participant by UNDP, FAO and IFAD. Government representatives, including delegations from capitals, UN staff and representatives of the civil society and the private sector are expected to attend the meeting. It is noted that to date, 24 HoS/G have confirmed their attendance in the HLM.

[Focal Point: Themba N. Masuku, masuku@un.org, 212 963 6319 or Sharon Brennen-Haylock, brennen-haylock@un.org, 212 963 0977]

A Response to the World Food Crisis: Smallholder Agriculture, Food Security and Rural Development in Africa—Concept Paper

Since 2005, a number of agricultural commodity prices have sharply risen, culminating in a 23 percent increase (in US dollar terms) in the FAO Food Price Index from 2006 to 2007. Escalating food prices have already led to food-related protests and riots in many countries, including several in Africa, as the number of people left hungry has increased. This complicates the achievement of internationally agreed goals on hunger reduction, including MDG 1 which calls for the proportion of people who suffer from hunger to be halved between 1990 and 2015. This side event will examine responses to the world food crisis through support for smallholder agriculture, greater food security and integrated rural development in Africa.

Context: framing the issues

1. Agriculture and food security are central to Africa's development needs and the Millennium Development Goals (MDGs) and other internationally agreed development goals (IADGs) will only be met on the continent if much greater attention is given to agriculture, food security and nutrition. The 2008 *World Development Report* notes that in sub-Saharan Africa 470 million people are located in rural areas, agriculture employs 65 percent of the labour force and the sector drives 32 percent of GDP growth. Agricultural growth has been found to be four times more effective in reducing poverty than growth in other sectors. Consequently, the implementation and scaling-up of initiatives to support improved agricultural productivity, particularly amongst smallholder farmers; enhanced food security; more efficient food distribution; and better nutrition across Africa will be critical to speeding growth, increasing incomes and improving the continent's human development indicators.

2. Despite the key role agriculture plays in development, it has been relatively neglected in recent years and needs to be put back at the centre of national development strategies. According to the World Bank, only about 4 percent of total government spending in sub-Saharan Africa is devoted to farming, compared with a target of 10 percent under the 2003 Maputo Declaration. The sector is also taxed at relatively high rates. Similarly, only about 4 percent of annual official development assistance (ODA) is current devoted to productive investments in agriculture, which is equivalent to between US\$1 and US\$2 billion each year; this is down drastically from a 12 percent share of ODA in 1990 and nearly 20 percent in the early 1980s. Some bilateral development agencies no longer support agricultural development at all. External assistance from new donor countries and private foundations has, meanwhile, grown substantially, and its volume now equals flows from traditional donors. At present, most subsistence smallholders, along with urban consumers, are now net consumers of food. They are being hit hard by the current global food crisis: hunger is spreading; food riots have occurred and political instability has increased in many countries; malnutrition is

causing irreparable harm; and the World Bank estimates that some 100 million people could be pushed back into extreme poverty.

3. There is an emerging consensus amongst African states and their international partners on the policies, programmes and projects that are needed to provide improved support for agriculture, food security, nutrition and rural development throughout the continent. The AU/NEPAD Comprehensive Africa Agriculture Development Programme (CAADP), the ‘2008 World Development Report’ (the 2008 WDR), the MDG Africa Steering Group’s recommendations on ‘Achieving the Millennium Development Goals in Africa’, and the ‘Comprehensive Framework for Action’ (CFA) from the High-Level Task Force on the Global Food Crisis’ all point to similar recommendations for improved agriculture and food security. Effective efforts must be undertaken to launch a ‘Green Revolution’ in Africa that will sustain improvements in agricultural productivity and raise incomes throughout the continent. CAADP’s four pillars provide the key priorities for this ‘Green Revolution’, namely: (i) sustainable land and water management; (ii) rural infrastructure and market access; (iii) increased food supply and reduced hunger; and (iv) technological development and adoption. These initiatives need be supported by targeted actions to ensure adequate nutrition through micronutrient supplements and feeding programmes targeted to specific vulnerable groups.

4. The 22 September High-Level Meeting’s side event on agriculture and food security will focus on efforts to translate these recommendations into action on the ground. This paper reviews key issues for the side event and is organized in the following manner. First, it highlights some of the drivers of the present food crisis in Africa. It then looks at some responses already under way and considers additional action that could be undertaken. Finally, it looks at some of the ways in which the international community is working together to support agriculture and nutrition. The paper concludes with a set of questions for discussion and expected results for consideration.

Main issues: causes of the crisis and key areas for action

5. For decades, Africa’s rural sector has been caught in a perverse poverty trap of low productivity caused by many factors such as an absence of modern farming technologies, a degraded base of natural resources, limited capacity, poor food distribution, inadequate governance, incomplete access to markets and hunger. The majority of Africa’s small-scale farmers, who work and live on less than two hectares, continue to grow food crops under rainfed conditions, without access to fertilizer, improved seed, irrigation and/or adequate extension services. Research and extension services in many countries have, in fact, virtually collapsed. At present only 7 percent of Africa’s arable land (about 3.7 percent of sub-Saharan Africa’s arable land) is under irrigation, despite the fact that about 86 percent of Africa’s farmland experiences moisture distress due, at least in part, to high runoff. Fertilizer productivity is some 36 percent lower than in Asia and 92 percent lower than in developed countries. As a result, cereal yields in Africa have stagnated at about 1.0 metric ton per hectare over the past 40

years. Over the same period, modern agricultural methods assisted East Asia, by contrast, in increasing cereal yields more than four-fold.

6. The present food crisis has sharpened calls for a uniquely African ‘Green Revolution’ to boost productivity. On 5 July 2004, then UN Secretary-General Kofi Annan called for a ‘uniquely African Green Revolution’, which is sustainable, pro-poor and tailored to Africa’s wide range of farming systems. Now, more than ever, more substantial action is needed to realize this vision through comprehensive and coordinated support programmes at the local, national and regional levels that include better management of agricultural resources (mainly land and rainwater); the adoption of innovative farming practices such as no-till farming and conservation agriculture; and increased support for access to agricultural inputs.

7. Increased productivity needs to be accompanied by improved food harvesting, storage, distribution and marketing. Increased productivity is not enough to ensure that food reaches the people who need it most. At present, post-harvest losses claim up to 40 percent of some crops in sub-Saharan Africa. To reduce and eventually eliminate this waste, CAADP, the MDG Africa Steering Group and the CFA all call for better extension services; coordinated distribution and marketing programmes, including through cooperatives; improvements in rural infrastructure and trade related capacities for market access, with particular attention to small-scale farmers and women; and initiatives to create more dynamic regional markets. The private sector has an important role to play in supply and marketing chains.

8. Efforts to enhance food quantity and availability need to be complemented with targeted interventions to ensure adequate nutrition and prevent stunting. Enhancing the quality of food is just as important as increasing its quantity. Fortification of food is considered one of the most cost-effective approaches to addressing widespread micronutrient deficiencies. According to the World Bank’s report ‘Enriching Lives’ (2003), “probably no other technology available today offers as large an opportunity to improve lives and accelerate development at such low cost and in such a short time”. For treatment of severe malnutrition, ready-to-use therapeutic foods (RUTFs), such as Plumpy’Nut®, have also shown their effectiveness, but are relatively expensive. The need for RUTFs can be minimized through consistent implementation of feeding programmes using fortified food. These programmes should particularly focus on addressing child malnutrition and stunting during the key interval for intervention from pregnancy to two years of age.

9. Gender needs to be explicitly addressed in the design of tangible actions. As underscored by CAADP and the 2008 WDR, women account for a substantial share of smallholder farmers; they also produce and process most of Africa’s food. Studies have found that marginal increases in women’s agricultural productivity arising from input support are greater than those for men: in Kenya, for example, a year of primary education provided to all women farmers is estimated to raise maize yields by 24 percent more than yields on farms controlled by men. Explicit efforts should be made to tailor technologies and support services to women farmers. An important new resource, the

‘Gender in Agriculture Sourcebook’ will be released by IFAD, the World Bank and FAO in October; it reviews good practices and innovative activities that can help to ensure full integration of gender considerations in policies and programmes.

10. The HIV/AIDS epidemic in sub-Saharan Africa has also exacerbated the impact of the food crisis and needs to be taken into account in the design of feeding and nutritional supplementation programmes. Food security and nutrition are critical for individuals, households and communities affected by HIV. Lack of food security and poor nutritional status may hasten progression to AIDS-related illnesses, undermine adherence to drug regimes, inhibit response to antiretroviral therapy, and exacerbate the socioeconomic impact of HIV/AIDS by compromising work capacity, productivity, and household livelihoods. Ensuring food security and adequate nutrition in all settings is vital to achieving the goal of universal access to HIV/AIDS prevention, treatment, care and support by 2010, a goal to which all Member States of the United Nations are committed.

11. Global climate change deepens the challenges inherent in enhancing African agricultural productivity and food security. CAADP’s emphasis on empowering producers through improved agricultural education, research, technological dissemination and adoption is made even more urgent by the pressure of global warming. All efforts to enhance rural development in Africa must take explicit account of climate change. As called for under the MDG Africa Steering Group’s recommendations, investments in agricultural research need to be significantly scaled up in a manner consistent with the CAADP, in particular its Pillar IV, the Framework for African Agricultural Productivity (FAAP), and channeled through the Forum for Agricultural Research in Africa (FARA), sub-regional organizations, centres belonging to the Consultative Group on International Agricultural Research (CGIAR) and governments.

12. Indeed, CAADP provides a shared framework for the restoration of agricultural growth, food security, and rural development in Africa to eliminate hunger and reduce poverty. The centrality of CAADP in organizing support for African agriculture and food security is recognized in the MDG Africa Steering Group recommendations, the CFA and the 2008 WDR. CAADP provides the basis for a continental partnership that links each of these sets of recommendations as well as initiatives by the UN system (FAO, IFAD, WFP and UNDP), International Financial Institutions (World Bank and AfDB), research institutions (such as the Earth Institute at Columbia University and ICRAF) and CSOs (such as AGRA and Millennium Promise).

Implementation: translating recommendations into action

13. At the country level, governments and development partners are taking concrete steps to enhance immediate support to smallholder farmers. Governments have, for example, taken immediate measures to enhance safety nets and existing programmes. In addition the WFP is launching a programme to buy food from smallholders and store it locally for emergency interventions and safety-net programmes such as school feeding. This will add to the more than US\$250 million of food that the

WFP already purchases in Africa each year. Through the contributions of other partners such as FAO, IFAD and UNDP, the programme will boost smallholder access to markets, information, financial services and price hedging.

14. Work is also underway on medium- and long-term projects to support smallholder agriculture. Programmes have been initiated to expand the supply of cassava and other root and tuber crops by improving the quality of cuttings and farming techniques in countries such as Cameroon and Uganda. Initiatives to develop more efficient fertilizer markets and agroforestry systems in which crops and trees are grown together to replenish soil fertility have been initiated in Kenya and Zambia, amongst others. Institutional reforms for large-scale irrigation management, such as those undertaken in Mali, are yielding tangible results. They also complement projects such as Nigeria's *fadama* schemes that combine irrigation with better water management in rainfed systems. Even in post-conflict environments, governments are making major efforts to increase food self-sufficiency through support to smallholders. In Sierra Leone, a crisis committee has been established under the Ministry of Agriculture, taxes on basic commodities have been reduced, and a national programme for rice production is being implemented with FAO, IFAD, UNDP and WFP support.

15. The Millennium Villages Project (MVP) demonstrates the dramatic results that can be achieved with a coordinated suite of targeted public-sector investments. A joint initiative of the UNDP, the Earth Institute at Columbia University, and Millennium Promise, the MVP has rapidly expanded to more than eighty sites across 10 African countries covering over 400,000 rural poor people. In early results, villages have generated crop surpluses, met caloric requirements, provided cash earnings through diversification, increased school attendance through locally grown school meals, and reduced malaria prevalence.

16. When such interventions are taken to national scale, food security can be achieved through the right combination of improved technologies, evidence-based policies, political will and international assistance. Following the worst harvest in a decade, the Government of Malawi responded in 2005 with a national scheme to subsidize smallholder access to improved seed and fertilizer. In the past two seasons, with improved seed and fertilizers, as well as good rains, the country's smallholders have recorded a 50 percent increase in yields over the previous rolling four-year average. In less than six years, Malawi has gone from famine to exporting food. Surplus production of over a million MT of cereals in 2007 enabled the country to export 300,000 MT of maize to Zimbabwe. The surplus has also contributed to regional food security through WFP procurements.

17. Additional resources will be needed to take the initiatives reviewed above to national scale and to replicate them in more countries. The World Bank's new US\$1.2 billion Global Food Crisis Facility, the AfDB's US\$1 billion increase in its agricultural portfolio combined with a new fund for fertilizer programmes, and the European Commission's pledge to add US\$1 billion to its agricultural support activities will all usefully boost ODA for agriculture. The MDG Africa Steering Group's analysis

indicates, however, that even more resources are needed: the international community should increase external financing, from both ODA and other sources, for African agriculture from the current US\$1–2 billion per year to roughly US\$8 billion by 2010, in strict adherence with the principles of the Paris Declaration on Aid Effectiveness. The MDG Africa Steering Group further estimates that an additional US\$4 billion per year in external financing is needed to support nutritional and school feeding programmes that are also essential to improved food security in Africa.

Possible issues for discussion

- What can international development partners do to enhance their collaboration and better support country-led national scale initiatives?
- What interventions should be prioritized amongst possible lines of support for African agriculture, food and nutritional assistance?
- What can development partners and governments do to enhance private investment in the agricultural, food and nutrition sectors?
- How can additional external resources be mobilized for African agricultural, food security and nutritional programmes?
- What can be done to improve market access in the wake of the Doha round's collapse?
- What kind of enabling environments are necessary to support investment in rural infrastructure and agro-industry development?

Expected results

- A shared view on how international development partners can enhance their support for African agriculture, food security and nutrition.
- The possible announcement of new collaborative ventures.
- A shared call for the application of more resources to the agriculture, food and nutrition sectors.
- Agreement on the need in 2010 for a UN review of progress toward the MDGs.