



**High Level Meeting on Africa's Development Needs: State of Implementation of Various Commitments, Challenges and the Way Forward"  
22 September 2008**

**Summary Report  
Side Events**

**Title:** A Response to the World Food Crisis: Smallholder Agriculture, Food Security and Rural Development in Africa

**Date and Venue:** Monday 22 September 2008, Conference Room 2, UN General Assembly Building

**Organizers:** FAO, IFAD, WFP, UNDP, UN-NGLS, UNAIDS, Republic of Malawi and the Earth Institute at Columbia University

**Moderators:** Mr. Scott Kilman and Mr. Roger Thurow, Wall Street Journal

**Keynote speakers:** Mr. BAN Ki-moon, UN Secretary-General  
H.E. Mr. Armando Guebuza, President of the Republic of Mozambique  
Mr. Jacques Diouf, FAO Director-General  
Prof. Jeffrey Sachs, UN Secretary-General's Special Advisor on the MDGs  
Ms. Elisabeth Atangana, President of the Sub-Regional Platform of Peasant Organizations of Central Africa

**Focal points:** Mr. Themba N. Masuku and Ms. Sharon Brennen-Haylock, FAO Liaison Office with the UN

## **1. Introduction (Background and Context)**

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.

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. 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.

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 present food crisis has sharpened calls for a uniquely African 'Green Revolution' to boost productivity. The 22 September High-Level Meeting's side event on agriculture and food security will focus on efforts to translate recommendations into action on the ground.

## **2. Organization (Chair, Panelists, Presenters and Participants)**

### **Opening remarks:**

Mr. Roger Thurow, Wall Street Journal

### **Keynote speakers:**

The UN Secretary-General, BAN Ki-moon; The President of Mozambique, H.E. Mr. Armando Guebuza; The FAO Director-General, Mr. Jacques Diouf; UN Secretary-General's Special Advisor on the MDGs, Prof. Jeffrey Sachs; President of the Sub-Regional Platform of Peasant Organizations of Central Africa, Ms. Elisabeth Atangana

### **Moderators:**

Mr. Scott Kilman, Mr. Roger Thurow, Wall Street Journal

### **Participants (not exhaustive):**

## **3. Summary Discussions**

The UN Secretary-General pointed out that the steep rise in food prices is putting lives at risk. Mr. BAN lamented the reduction of official development assistance (ODA) going to agriculture, where the current share of total ODA stands at only 4 percent compared to 1980 when it stood at 20 percent. The importance of the 2003 African Union's Maputo Declaration's commitment by African Member States to allocate 10 percent of national budgets to agriculture was stressed. It was also mentioned that this commitment would go a long way toward meeting the challenges of the global food situation by stimulating supply for African and global consumers. The role of the High-Level Task Force on the Food Crisis and its Comprehensive Framework for Action (CFA) was highlighted and could be used to mobilize resources and the political will to address high food prices through concrete solutions.

The number of people at risk of hunger owing to high food prices and limited supply is rising. Food aid is essential as a temporary measure to respond to the food crisis, but must quickly be followed by long-term solutions. As called for in the CFA and the MDG Africa Steering Group's recommendations, support of smallholder farmers is necessary.

The President of Mozambique pointed out that the most vulnerable groups are generally the most affected by this crisis. It was mentioned that the international community had the power to reverse the crisis, especially amongst the estimated 70 percent of Africans who live in rural areas. If strategic complementarity is employed in collaborative actions, it would be possible to transform the high prices into an opportunity to create jobs in local areas. Action plans for increased food production were enumerated, including the introduction of Green Revolution technologies to enhance seed and fertilizer inputs, construct watering systems, and provide small farmers with access to credit, as well as the need for more resources.

The FAO Director-General raised additional urgency to the need to respond to the food crisis, noting that high prices have increased the number of the hungry by about 75 million. The high prices have also contributed to protests and riots in the urban areas of several countries and impacted small scale farmers. It was also noted, though, that high agriculture commodity prices could be an opportunity to re-launch efforts to increase production and productivity, compounded with the necessity to ensure that high prices are transmitted to small-scale producers. FAO agreed that efforts must be made to address the structural constraints facing smallholder farmers, and that in this regard, institutional innovations would be necessary. Emphasized on access to water would be critical to secure a productive sustainable agriculture in Africa since only 7 percent of all arable land is irrigated. Coherence and cooperation between international organizations would also be crucial. Toward this end, the FAO launched the Initiative on Soaring Food Prices (ISFP) in December 2007 to mobilize US\$1.7 billion to provide immediate help to smallholder farmers with improved seeds and fertilizers in time for the current growing season. Regrettably, only a small portion of funds committed have been provided.

The UN Secretary-General's Special Advisor on the Millennium Development Goals explained that Africa's agricultural output could be more than doubled, but this has not been achieved at least in part because needed and committed external financing has not been provided for the implementation of evidence-based, established interventions. Prof. Sachs noted Malawi's experience over the last several years with its subsidy programme for agricultural inputs, which has had a large positive impact on food security. Since the introduction of this programme, the country has substantially increased production and has now become a food exporting country only a few years after experiencing famine. Prior to the introduction of the input support programme, agricultural yields had been 1 ton per hectare, amongst the lowest in the world. Yields are now at 2 to 3 tons per hectare under the input support programme. Malawi provides a clear example that Africa can feed itself with the right policies, programmes and external support. This success could be replicated in other countries, but adequate financing would have to be made available from internal and external sources for inputs, infrastructure and distribution networks. Donors were strongly called upon to provide this increased support for enhanced agricultural development. The situation has never been more urgent: with increased population densities and shrinking average farm sizes, crop and land rotation can no longer be practiced in many areas. This results in the depletion of soil nutrients, leaving the land incapable of supporting adequate production to sustain local populations. Improved agricultural inputs—seeds, fertilizer, irrigation, and pest control—provide the only clear path to improved productivity.

The Deputy Minister of Agriculture and Food Security, on behalf of President of Malawi, explained that the Malawi government's agricultural input subsidy programme that started in 2004 resulted to a food surplus never achieved in the last two decades. This achievement positively spilled over employment, exports, and in the stabilization of domestic prices, particularly of maize. Marking the 4th year of its implementation in 2008, the program targets 1.7 million poor small holder farmers involving a more diverse inputs subsidies and is on course for another year of substantial success. Malawi has also indicated its responses to the issue of climate change by investing in irrigation farming and diversified agriculture, marketing and controlling post harvest losses. On the question of the sustainability of Malawi's commitment to subsidize farm inputs now that farm input prices went up, the WB has committed to assist Malawi in this program until Malawi is able to prepare for a sustainable funding for its agricultural needs.

The President of the sub-regional Platform of Peasant Organizations of Central Africa (PROPAC) highlighted the vital role of smallholder agriculture, which produces 70% of Africa's food supply and creates 70% of rural jobs, the vast majority of which are worked by women. Several problems facing smallholder farmers were highlighted such as: increasing poverty, lack of access to credit and to land, increase in prices for fertilizer and seeds, and population growth. Efforts of farmers to find solutions to these problems were being offset by the current food crisis. Smallholder farmers could not solve the food crisis single handed; the action of States and the international community are essential and that resulting international support must be within direct reach of smallholder farmers. On behalf of a network of smallholders, recommendations were made to accelerate policy coherence and to improve the competitiveness of the agricultural sector by investing in smallholders farms; to strengthen the capacity of producers and their organizations to participate in agricultural development programmes, especially by increasing the participation of women; to accelerate the process of regional integration in order to promote regional exchanges of agricultural products; and to share best practices and adapt them to regional and national specificities. On the international level, PROPAC called for fair market and trade rules between the rich and poor countries, particularly within the World Trade Organization. The need to increase agricultural loans and to support micro-financed rural projects was also emphasized.

Interventions during the discussion were raised from the floor from Member States, international institutions including UN-affiliated funds and programs, NGOs and from the private sector, most of which are summarized from here on.

The World Food Programme thanked donors for their response to the food crisis but warned that the crisis is compounding and we are still in the danger zone. Smallholder farmers are not all benefiting from soaring food prices. Many cannot afford inputs and have planted only one-third of what they planted one year ago. In fact, half of those reached by WFP's urgent food assistance are smallholder farmers who can't raise enough food to feed their families, let alone make enough income to break the poverty cycle.

The Horn of Africa is in particular danger. Critical action plans to address the food crisis have already been developed, but bold international leadership is needed. Embedded in this crisis is opportunity for farmers. Eighty percent of the food given to hungry people that WFP spends cash on is bought in the developing world. Africa has the potential to help feed the world, but first we must act together to beat this "perfect storm within a perfect storm."

International Fund for Agricultural Development (IFAD) pointed out that coordination of action is a key component for tackling the current crisis and for ensuring medium and long term agricultural growth and food security. The Comprehensive African Agriculture Development Programme (CAADP) provides the right framework for coordination at the regional and global level for effectively implementing comprehensive initiatives to raise food production and promote agricultural and rural development. The commitment made by the European Commission to make available an additional \$1 billion is a welcomed step towards reversing the downward trend that has affected funding for agriculture over the last decades. But more needs to be done.

It was further noted that investments in agriculture will help to unleash the potential of African small holder farmers by increasing their productivity, enhancing local and national food security and accelerating poverty reduction. Malawi, Mozambique, and Ghana and several other countries in the region have demonstrated that African farmers have the potential to grow enough food for domestic consumption and export. Required are significant investments in infrastructure, improved market access, and agricultural research to enhance productivity. Governments, donors and international institutions need to work with new actors such as AGRA, foundations and the private sector. IFAD, on its part, is prepared to expand its investment in Sub-Saharan Africa and engages with its members to mobilize resources to provide \$2.5 billion over the next five years to support smallholder agricultural development in the region.

In light of the complex vulnerabilities arising out of the combined effect of the recent food crisis, high energy prices and climate change, UNDP called for global and coordinated response to address the development needs and challenges of poor countries, particularly those in Africa. In addition, UNDP emphasized the need to rethink the international community's standard response to food shortages by supplementing short term interventions with longer term measures.

The Alliance for a Green Revolution in Africa (AGRA), highlighted their organization's commitment, together with the Bill and Melinda Gates Foundation, The Rockefeller Foundation, and the DFID, in providing across the value chain access of smallholder farmers to farm inputs required for production. Collaboration with international institutions and donor countries for funding are necessary but urged African countries not to wait for external resources, important as they may be. Imaginative ways must be created to make available and then mobilize internal resources.

The International Food Policy Research Institute (IFPRI) emphasized reaching the vulnerable people and specifically targeting them in public investments. She also raised the necessity of investing in coordinated and improved information systems for coherent monitoring and assessing frameworks important in policy analysis and measuring effectiveness of implementation. The lack of consistent information systems place implications in measuring impact of programs at the household level. Apart from looking at food security in an agriculture dimension, she raised the issue of recognizing the synergies between food security, nutrition and health which are closely linked in the African context.

The World Bank agreed that there is an urgent need to increase funding for agriculture in Africa. The Bank has already or is making available over \$850 million to-date under its Global Food Price Crisis Response Facility (GFRP) with the majority of projects supporting Africa. This includes important contributions to finance fertilizer and seed distribution. Agreement with Mr. Diouf and Dr. Sachs as well as other participants were also expressed in that much more funding is needed. Recently the World Bank welcomed the commitment from Australia to the GFRP and the pending 1 billion Euro support from the EC.

At the same time, there is recognition that under-investment in agriculture is based on the perception that agricultural support doesn't work. Many of the problems in the 1980s in performance of agricultural support were linked to poor policy environments such as marketing boards and input policies which did not benefit

farmers - at least not smallholders. Many of these policies have been improved and there are apparent successes in boosting smallholder production in many countries through more effectively managed and targeted input subsidies combined with good technical support and improved marketing systems. Attention must be drawn to these successes and ensure that they are being replicated broadly to build a sense of real progress in the agricultural sector while at the same time ensuring that what is done today can be sustained tomorrow by farmers themselves.

The International Federation of African Producers (IFAP) from Zambia emphasized that smallholder farmers are the principal stakeholders in agriculture. Aside from the urgency of funds for the right mix of strategies to boost agriculture production, what is needed by farmers are strategic partnerships with farmers organizations who together with the government could develop national agricultural plans where reprioritization of resource allocation and monitoring and evaluation of government programs suited to farmers will be addressed. Current and succeeding government initiatives with the aim of empowering farmers in Africa must satisfy the question how these projects are farmer-centered and inclusive.

Belgium has participated in the discussion and raised the tradeoffs, with reference to donor countries, between emphasis and resource allocation to emergency needs vis-à-vis the long-term capacity requirements for Africa to feed itself. Despite the fact that a vast majority of food aid funding was in the past several years allocated for emergency and not for development, UN Agencies collectively agree that a simultaneous response to long-term development programs and emergencies must be considered and funded. Without the necessary political will to implement this, the food security situation will get worse with climate change and population growth.

Yara International noted that farmers, even the smallest shareholders are private entrepreneurs. The private sector is increasingly interested in becoming a partner in agriculture investments in Africa and is in a strong learning mode to create dynamism and a stable private sector base, to inject vitality and to adapt a market approach in agriculture. Agriculture was not profitable previously because of subsidies and other dumping practices that it was better to import products than produce in Africa. Now there are opportunities that require new mindset where agriculture can be profitable such as the establishment of agricultural growth corridors for improved transport linkages and border controls. This will strengthen the willingness of the private sector to become an active partner in finding solutions to Africa's food needs, from access to credit, weather insurance, and in partnerships in the value chain.

CGIAR noted its appreciation for the calls for action from all quarters and asked for specific commitments from all donors on the shape this action would take.

#### **4. Conclusions, Recommendations and Follow-up Actions**

The side event resulted in the following key recommendations and conclusions:

- Addressing the world food crisis requires a global and coordinated response that combines immediate- and short-term measures as well as longer-term solutions.
- High agriculture commodity prices gravely affect poor people who are often net buyers of food while also offering an opportunity to re-launch efforts to increase agricultural production and productivity;
- Smallholder farmers, which make up the majority of agricultural producers in Africa, need to be at the center of any initiatives to enhance agricultural production.
- The competitiveness of the agricultural sector needs to be improved by investing in smallholder farms; strengthening the capacity of producers and their organizations to participate in agricultural development programmes, especially by increasing the participation of women; and accelerating the process of regional integration.
- Action plans for increased food production require the introduction of Green Revolution technologies to enhance seed and fertilizer inputs, construct watering systems, improve infrastructure and market access, and provide smallholder farmers with access to credit. Because smallholder farmers cannot afford these technologies in many cases, domestic and external support will be required for their provision.
- Localized successes need to be replicated broadly to strengthen the agricultural sector as a whole across all regions.

- Significantly more public resources are needed to support the agriculture, food and nutrition sectors in light of the fact that agriculture's current share of total ODA stands at only 4 percent compared to 1980 when it stood at 20 percent.
- Collaborations with international institutions and donor countries for funding are necessary, but African countries may also search for new ways to build on the already substantial efforts they have made to mobilize internal resources.
- The private sector has also an important role to play in finding solutions to Africa's food needs.
- Governments, donors and international institutions also need to work with new actors such as AGRA, foundations and the private sector to mobilize financial and technical support.
- Strategic partnerships with farmers' organizations need to be developed to work with national authorities in the reprioritization of resource allocation and monitoring and evaluation of government programs.
- Agreement on the need in 2010 for a UN summit to review the Secretary-General's next comprehensive report on progress toward the MDGs.