



THE 6th ANNUAL ReNAPRI STAKEHOLDERS CONFERENCE

"Journey to Self-Reliance: Unlocking the potential of the African Continental Free Trade Agreement"



ReNAPRI SECRETARIAT

c/o Indaba Agricultural Policy Research Institute (IAPRI)
26A Middleway Road, Postnet Box 99, Kabulonga
Lusaka, Zambia

Executive Summary

The Annual Stakeholders Conference is a ReNAPRI led and driven initiative that creates a platform for information sharing and dialogue on relevant agricultural policy issues among various regional stakeholders. The premise is that an evidence-based understanding of agricultural marketing and trade policy impacts can assist African governments, private firms and civil society groups to anticipate and proactively respond to the emerging challenges in the region.

The 6th Annual ReNAPRI Stakeholders Conference was held 20 - 21 November 2019 in Kampala, Uganda under the theme “*Journey to Self-Reliance: Unlocking the potential of the African Continental Free Trade Agreement*”.

Key Objectives

The key objectives of the 6th Annual ReNAPRI Stakeholders Conference was to:

1. Unpack the potential impact of the African Continental Free Trade Agreement (AfCFTA) on the agri-food system and identify concrete policy action to ensure its success;
2. Outline strategy for prioritizing targeted public investment that facilitates scale production within key value-chains;
3. Develop a 5-point agenda on expanding sustainable production to meet the region’s growing food demand;
4. Enhance engagement of African parliamentarians and government officials on issues pertaining to regional trade; and
5. Assess the operational feasibility of alternative policy options by clearly identifying concrete strategies that address the challenges to trade – i.e., focusing on the “how” questions.

Approach

The ReNAPRI conference was held over a day-and-a-half period and comprised the following activities:

- Keynote Presentations that highlighted and prioritized the key challenges on trade, national investment strategies, and sustainable agricultural production.
- Panel Discussions which included industry experts/stakeholders and government officials, charged with identifying concrete strategies that address the challenges and unlock the region’s agricultural potential under AfCFTA.
- Interactive Dialogue on how best varying stakeholders could support intra-regional efforts at local, national and regional levels.

Outcomes

- Awareness of the challenges to unlocking the potential of the African Continental Free Trade Agreement.
- Identification of concrete strategies aimed at addressing these challenges.
- Growing linkages and partnerships among the various stakeholders.

Outputs

- Presentations from the private sector and a focused discussion with government representatives’ panelists on the AfCFTA’s opportunities, threats and challenges.
- Presentation and panel discussion regarding the prioritizing & targeting public investments along key value-chains, using Tanzania and Kenya as examples.
- Presentations and panel discussion regarding the Abuja II Fertilizer Summit, and moving toward building an agenda.
- 6th Annual ReNAPRI Stakeholders Conference Report.

This report was prepared by the ReNAPRI Secretariat and presents a summary of the conference proceedings. The detailed event agenda, and relevant links, can be found on ReNAPRI’s website: <http://www.renapri.org/outreach-engagement/annual-renapri-stakeholder-conference/2019conference/>



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List of Acronyms

AfCFTA	African Continental Free Trade Agreement
AAP	Alliance for African Partnership
AGRA	Alliance for a Green Revolution in Africa
APFP	Agricultural Professionals Fellows Program
AU	African Union
BFAP	Bureau for Food and Agricultural Policy
BMGF	Bill and Melinda Gates Foundation
CARD - LUANAR	Centre for Agricultural Research and Development at Lilongwe University of Agriculture and Natural Resources
DFID	Department for International Development
DRC	Democratic Republic of Congo
ESA	East and Southern Africa
EU	European Union
FAO	Food and Agricultural Organization of the United Nations
FAPRI	Food and Agricultural Policy Research Institute
GDP	Gross Domestic Product
GIS	Geographic Information System
IAPRI	Indaba Agricultural Policy Research Institute
IFPRI	International Food Policy Research Institute
IRES	Institut de Recherches Economiques et Sociales
MAAIF	Ministry of Agriculture, Animal Industry and Fisheries, Uganda
MP	Member of Parliament
MSU	Michigan State University
NAIP	National Agriculture Investment Plan
NGO	Non-government organizations
PAP	Pan-African Parliament
PPVC	Policy Prioritization through Value Chain Analysis
PE	Partial-equilibrium
ReNAPRI	Regional Network of Agricultural Policy Research Institutes
RSA	Republic of South Africa
SAEBS	School of Agricultural Economics and Business Studies
SSA	Sub-Saharan Africa
SUA	Sokoine University of Agriculture
UP	University of Pretoria
USAID	United States Agency for International Development
UZ	University of Zimbabwe
WC-DoA	Western Cape Department of Agriculture, South Africa



1. Introduction

Africa is on the move! July 7, 2019, marked the launch of the operational phase of the African Continental Free Trade Agreement (AfCFTA). The objective is to bring together all 55 member states of the African Union into one of the world's largest free trade areas. Once trading begins on July 1, 2020, the AfCFTA has the potential to:

- Boost Intra-African trade by at least 52% (UNECA) through the reduction of import duties and improved harmonization of trade liberalization and facilitation instruments across the RECs;
- Increase the competitiveness of African industry by providing opportunities for scale production, continental market access and improved resource allocation (TRALAC, 2019); and
- Meet the growing food demand, which is projected to reach USD 1 Trillion by 2030 (AfDB, 2018).

However, if Africa is to realize this potential, there are challenges that will need to be addressed. Coherent domestic marketing and trade policies are needed to encourage the required private investments in agricultural commodity value chains that will achieve sustainable productivity growth. In the face of these challenges, valid questions arise as to whether or not the transformation narrative on the continent will falter (Fioramonti, 2017). To ensure sustainable transformation will require committed and innovative leadership, transparent accountability, and evidence that will allow for accurate measurement of progress.

The ReNAPRI conference was held over a day-and-a-half period and comprised the following activities:

- Keynote Presentations that highlighted and prioritized the key challenges on trade, national investment strategies, and sustainable agricultural production.
- Panel Discussions which included industry experts/stakeholders and government officials, charged with identifying concrete strategies that address the challenges and unlock the region's agricultural potential under AfCFTA.
- Interactive Dialogue on how best varying stakeholders can support intra-regional efforts at local, national and regional levels.

Conference participants include a range of stakeholders actively engaged in the African Agricultural sector. The conference received 126 registrations from high-level regional stakeholders with a multidisciplinary representation. The registered guests and experts included policymakers, representatives of private sector, bilateral and multilateral international organizations (i.e., AGRA, PAP, EU, FAO), agricultural research institutions, local NGOs, non-profits, academic institutes, regional organizations, donor community and media. Overall, the sectoral representation shares were as follows:

- Academic, 40%
- Government, 22%
- NGO, 3%
- Non-profit, 3%
- Private, 10%
- Think Tank, 17%
- Other, 5%

We were honoured to have the participation of six Ministers of Parliament (MPs) from five African countries, including the Minister of Trade, Industry and Cooperatives, Uganda and the Minister of Agriculture Animal Industry and Fisheries' (MAAIF) appointed representative.



Country representation included participants from the following 20 countries:

- Canada
- Cote d'Ivoire
- DRC
- Ethiopia
- Ghana
- India
- Italy
- Kenya
- Malawi
- Mozambique
- Netherlands
- Nigeria
- Rwanda
- South Africa
- Spain
- Tanzania
- Uganda
- United States
- Zambia
- Zimbabwe

Of the registered participants, 42 guests were sponsored through ReNAPRI conference funding and the remaining were self-sponsored. The event was hosted by the Department of Agribusiness and Natural Resources, Makerere University in conjunction with ReNAPRI, and with support from: the University of Pretoria – Bill & Melinda Gates Foundation, Michigan State University, Bureau of Food and Agricultural Policy (BFAP), Indaba Agricultural Policy Research Institute (IAPRI) the Alliance for African Partnership at Michigan State University; and ReNAPRI member institutions' in-kind contributions.

The conference built on the success of the Fifth (5th) Annual ReNAPRI Stakeholders Conference and created a platform for strategic dialogue around evidence on agricultural transformation, with the premise that an evidence-based understanding of unfolding transformation and the challenges that it raises can assist African governments, private firms and civil society groups to anticipate and respond proactively.

2. Welcome Remarks and Official Opening

2.1. Opening Remarks and Welcome

Dr. Milton Ayieko, Executive Director: Tegemeo Institute of Agricultural Policy and Development, Egerton University, Kenya (ReNAPRI)

- Extended a welcome and appreciation of all those that were able to attend, and expressed ReNAPRI's pride that the host for this year's conference is the Pearl of Africa.
- The conference provides an opportunity to tackle issues affecting us as Africans, such as rising population, demand on production resources, and climate change.
- The conference highlights the use of evidence to solve problems.
- Evidence, from think tanks such as ReNAPRI, can be used to support governments and the private sector to lead to meaningful transformation. For example, studying the national agricultural plans, and seeking out impactful programs for investments.

Prof. Gorettie Nabanoga, Deputy Principal of the College of Agricultural and Environmental Sciences (CAES), on behalf of Prof. Barnabas Nawangwe, Vice-Chancellor, Makerere University, Uganda

- Prof. Nabanoga noted the importance to have platforms such as conferences to be supported by multidimensional stakeholders. It enhances the sharing of knowledge locally, regionally and globally, and creates synergies for strategic dialogue and evidence-based guidance within the context of the African Continental Free Trade Agreement.

Hon. Amelia Kyambadde, Minister of Trade, Industry and Cooperatives, Uganda

- The AfCFTA Agreement was signed by 44 countries, including Uganda, which is 80% of the membership of the African Union. In the history of African integration never before has a legal instrument been signed by that number of countries at a single sitting.
- This AfCFTA addresses a need within Africa to improve intra-Africa trade. Currently, trade among African nations accounts for just over 14% of their total trade, a considerably lower figure than



trade within many of the world's more developed regions: Europe and North America both have intraregional trade rates at over 60 percent; the intra-Asian trade is about 50%; while Intra-Latin American trade is about 45%.

- The AfCTFA is a testimony of the desire of the African leaders to economically integrate their countries together for the development of the African people for their mutual benefit.
 - For Uganda, our objectives in African economic integration is driven by the need for expanded markets for our growing economic operations; attracting cross-border investment; creating employment opportunities for our young populations domestically through expansion in production of goods and services that will be demanded by the expanded markets.
 - Since integrating their trade with EAC and COMESA, Uganda has recognized a significant growth in their exports to the region from less than \$100 million in 1993 to a high of \$2.8 billion in 2018.
- Challenges to improving regional trade: connectivity, gender disparities, climate change, Anglo versus Francophone roots, harmonization, brain drain, slow movers to ratification; cultural diversity; and superpower tug of war.

Dr. Joy Kabatsi, Ministry of Agriculture, Animal Industry and Fisheries (MAAIF), on behalf of Hon. Vincent Bamulangaki Ssempija, Minister, MAAIF

- Speech from the Hon. Vincent Ssempija;
 - Knowledge translation needs to move from static dissemination outputs to dynamic modes of engagement with multiple stakeholders which is possible within an institutional framework. This conference has brought a wide spectrum of stakeholders from the African continent and beyond.
 - The conference theme is in line with the government of Uganda's second National Development Plan (NDP II) strategies to expand the country's export base, improve trade relations and create business opportunities within the agricultural sector.
 - In the FY 2019/20, Government will continue to prioritize investments aimed towards, among other things, strengthening the institutional capacity of sector stakeholders.
 - More specifically, the Government will provide support towards strengthening agricultural research, promoting technology uptake and extension services to farming communities.
 - In addition, MAAIF will put measures in place to mitigate climate change and its effects on sustainable agriculture, support value addition, sustainable land management and use of fertilizers, regulate certification services and promote sustainable fisheries and aquaculture.

3. Session One: Who and What is ReNAPRI?

Lulama Ndibongo Traub, ReNAPRI Technical Chair, Co-Director, Bureau for Food and Agricultural Policy (BFAP), South Africa

- *"In some ways, I saw the garden as a metaphor for certain aspects of my life. A leader must also tend his garden; he, too, plants seeds, and then watches, cultivates, and harvests the results. Like the gardener, a leader must take responsibility for what he cultivates; he must mind his work, try to repel enemies, preserve what can be preserved, and eliminate what cannot succeed."*
-- Nelson Mandela: Long Walk to Freedom
- 21st Century of African Leaders have been planting a garden: The seeds (enabling policy tools) have been planted, but there is a need to cultivate the garden (Africa).
 - 2000: Commitment to UN MDGs



- Eradicate poverty and hunger
 - 2003: CAADP Targets
 - 6% Ag. GDP growth rate
 - 10% allocation of national budget to agriculture
 - 2013: Agenda 2063
 - “An integrated, prosperous and peaceful Africa, driven by its own citizens”
 - 2014: Malabo Declaration
 - Triple intra-Africa trade and double productivity
 - 2015: Sustainable Development Goals
 - No poverty and zero hunger
 - 2019: African Continental Free Trade Agreement
 - Create a single continental market, with free movement of business persons and investments
- ReNAPRI’s work goes beyond the platitudes; during this conference and into 2020:
 - ReNAPRI Session 2: The African Continental Free Trade Agreement – opportunities, threats and challenges
 - Explores the AfCFTA, which has now been signed by 55 African countries
 - Post-conference steps: develop a research agenda that generates relevant evidence to support policymakers in the roll-out of AfCFTA
 - Session 3: Prioritizing & Targeting Public Investments Along Key Value-Chains – examples of Tanzania & Kenya
 - Discusses how to best tend to our garden with the National Investment Plan (NAIP), and how to prioritize value-chains
 - Post-conference steps: continue to develop the PPVC framework in the Kenyan context
 - Session 4: Towards Building the Agenda for Abuja II Fertilizer Summit
 - Explores the challenges of cultivation and how action steps forward
 - Post-conference steps: develop a concept note that outlines the research agenda in preparation of the Abuja II Fertilizer Summit.

4. Session Two: The African Continental Free Trade Agreement: opportunities, threats and challenges

In this session, private sector representatives, involved at various stages of the Agri-food system, gave brief presentations on the opportunities and/or challenges for their businesses under the AfCFTA. Each presenter identified one concrete policy action that could either facilitate their ability to leverage the identified opportunities or mitigate the potential challenges.

The panel of government representatives, operating at various levels of government (i.e. local, national, and regional) were asked to respond to the points raised by the private sector. Specifically, each panellist was asked to identify:

1. How in their capacity are they preparing for the AfCFTA?
2. What strategies/approaches are available to government to effectively address the identified factor/issue?
3. How can ReNAPRI support in the decision-making process?

Moderator:

Gerald Masila, CEO: East African Grain Council (EAGC)

Private Sector Presentations:



- Andrew Karani, CEO & Founder: MyCargo Limited, Kenya
- Carlson Kimkung, Commodity Trader: Export Trading Group - Farmers Foundation, Kenya

Panellists:

- Hon. Amelia Anne Kyambadde, Cabinet Minister of Trade, Industry, and Cooperatives, Uganda
- Hon. Adan Haji Yussuf, MP, Departmental Committee of Agriculture & Livestock, Kenya
- Hon. Chido Madiwa, MP, Chairperson: Women and Gender Portfolio Committee, Zimbabwe
- Hon. Noko Masipa, MP, Committee on Agriculture, Land Reform & Rural Development, South Africa
- Hon. Max Bweupe Ng'onga, MP, Chairperson: Agriculture & Lands Committee, Zambia
- Joyene Isaacs, Head of Department, Western Cape Department of Agriculture, South Africa
- Eduarda Mungoi, Assistant to the Ministry of Industry & Trade, Mozambique

4.1. Key Findings

- Most of the informal trade is not recorded and not featured in the statistics. Therefore, the volumes traded are understated, and in turn the policies are based on wrong data.
- SMEs have different issues/challenges from larger businesses. However, bigger businesses are able to create and lobby for pro-big business policies which leave-out SMEs.
- There is need to establish the baseline data. Interventions are needed to collect data on trade, commodities and services.
- MyCargo presentation
 - Logistics in East African Community (EAC)
 - Africa pays more in transportation
 - Transport costs account for around 30% average market prices in Kenya – which is twice the amount in comparable Asian countries.
 - Global logistics rank: Kenya vs Vietnam: Kenya 68, Vietnam 39 (2018)
 - More opportunity to improve logics with free trade
 - Logistics Innovation
 - Less intra-African trade, only 17% of world trade
 - Digital logistics marketplace
 - Customer requests transport service: customer lists their shipping requirements & transporters can accept offer, post bids, compete with other transporters.
 - Find best match: the most viable offer/bid is accepted by customer.
 - Shipment owners can save up to 60% on transportation costs
 - Lower costs & higher utilization: fewer trucks run empty, transporters get extra cash, reduce waste and provide improved service at lower costs.
 - Grain logistics
 - A key element in achieving sustainable food security in the Africa, and thus a driver of competitiveness and economic development.
 - Moves grains and cereals, such as soya from Ethiopia.
 - Roadblocks to overcome
 - Address non-tariff barriers - simplify and harmonize compliance procedures and establish “single source of truth”.
 - Reduce processing times at the border
 - Need to harmonize axle limits and other vehicle and operator regulations to allow for regional hauling



- Equip One Stop Border Point facilities with adequate infrastructure (such as weigh bridges, laboratories and warehouses) for fewer delays and quicker turnaround
 - Need for continent-wide accepted trading hubs that also cater for the less developed economies which may be ill-equipped to enable trade flows.
 - Address corruption and self-serving interests –partially through automation, instituting performance service-level agreements (SLAs) and allowing for easy access to regulatory information (with timely updates).
 - Export Trading Group (ETG), Farmers Foundation presentation
 - Experiences of ETG
 - Diversified supply chain group
 - Provides market to farmers
 - Educate farmers on trade issues in general
 - Provides inputs to farmers
 - Challenges
 - Dealing with country purity of origin, e.g., coffee in Ethiopia is high priced and some scrupulous traders can ship their coffee to be traded from Kenya. Govts are hesitant to sign agreements on these.
 - Lack of data – difficult to predict deficits and surpluses in commodity trade.
 - Sometimes results in wrongly importing commodities, which can suppress next season’s production.
 - ETG relies on their own data statistics due to their wide market coverage, e.g., 40% in Malawi, 60% in Kenya. They do not rely much on public data.
 - Barriers to entry – e.g., belonging to different trade blocks – the AfCFTA should help solve this problem.
 - Mozambique response to AfCFTA
 - Mozambique signed and ratified AfCFTA.
 - Anticipate agreement will help with Mozambique’s need for improved volume to trade
 - The agreement may help address food insecurity, e.g., Mozambique has malnutrition problems.
 - The trade agreement has potential to improve farmers’ productivity.
 - South Africa response to AfCFTA
 - South Africa signed but has not ratified the AfCFTA.
 - Currently, trade challenges include;
 - Low intra-Africa trade: South Africa exports 21 million litres of wine to Africa vs consuming over 420 million litres, and 431 million litres exported to rest of the world.
 - Barriers: to receive one container from Angola, 55 documents, 83 documents, 634 pages, 28 SADC certificates, etc.
 - Corruption: makes business costly.
 - Poor infrastructure is a barrier to trade.
 - Zimbabwe response to AfCFTA
 - Zimbabwe signed and ratified the AfCFTA.
 - Trade goals include;
 - Inclusiveness; policies that make it easy for anyone to trade.
 - Investment in technology to facilitate trade.
 - Kenya response to AfCFTA
 - Kenya signed, but has not ratified AfCFTA. The proper and regulations need to be put in place.



- However, *implementation* of policies is still a huge problem.
 - Infrastructure a serious bottleneck, need to have roads that cross various African borders.
 - Data that would help us know what is where, i.e., location, quantity and quality of product is needed.
 - Peace and security must be addressed in order to foster trade.
 - “Government has no business doing business”. Need to move to privatization and create an enabling environment.
 - Emphasis should be put on the fight against corruption.
 - Tribalism needs to be eliminated. Adopt, “I am an African” mentality.
- Zambia response to AfCFTA
 - Zambia has signed the AfCFTA, not yet ratified; but and they are putting in an effort to catch up as a country.
 - Still needed:
 - Interrogate the budgetary allocations.
 - Data necessary for implementation.
 - Corruption has to end. It is stagnating progress.
 - Requested ReNAPRI for capacitation for members of parliament.
- Uganda response to AfCFTA
 - Uganda has signed and ratified AfCFTA.
 - It is important to have the political will for AfCFTA to succeed.
 - Additionally, in order for the agreement to succeed, mindsets have to be changed:
 - The laissez-faire attitude has to go, time management is key.
 - Africa needs a common language to identify us.
 - Embrace who you are as Africans. Love the culture, the dress, weather.
 - Religious and cultural prejudices, especially against women. For example, they are not in many leadership positions.
 - We need to prioritize our political, social, and economic agendas.
 - Evaluate land tenure systems – they have to allow farming.
 - A disconnect among sectors has to be worked on, i.e., synergy to make it easy for the private sector to do business.
 - Find funding for R & D. Many young innovators are coming up, but is there a budget for them?

4.2. Recommendations / Opportunities

- Policy recommendations
 - Synergy of skills and student exchange.
 - We need trained people to be at the borders to facilitate the AfCFTA.
 - Develop statistics of trained people in order to encourage additional investment in training.
 - Make data public to everyone because unless you have quality data, it is difficult to make decisions.
- Opportunities under AfCFTA
 - New and expanded markets for digital logistics marketplaces.
 - Improved connectivity of Africa’s rural communities beyond national to regional supply chains.
 - Expanded regional scope and hauling opportunities for transport partners.
 - Easier and often cheaper access to resources under the expanded market.
 - Increases competitiveness.



- Quality of traded goods should be higher.
- How ReNAPRI can help?
 - Train people.
 - Exchange research data. Contextualize the recommendations in reports.
 - Support academic institutions have linkages with other countries.

5. Session Three: Prioritizing & Targeting Public Investments along Key Value-Chains – examples of Tanzania & Kenya

Once trading begins on July 1, 2020, the African Continental Free Trade Agreement (AfCFTA) has the potential to:

1. Boost Intra-African trade through the reduction of import duties and improved harmonization of trade liberalization and facilitation instruments across the RECs; and
2. Increase the competitiveness of African industry by providing opportunities for scale production, continental market access and improved resource allocation.

However, if Africa is to realize this potential, there are challenges that will need to be addressed. Specifically, actionable policies and fiscally-sound public investments are needed to encourage the required private investments in agricultural commodity value chains. This session presented an innovative approach to identifying and prioritizing policies and public investments along key value-chains.

Moderator:

Ferdi Meyer, Managing Director: Bureau of Food and Agricultural Policy (BFAP), (ReNAPRI), South Africa

Presentations:

- Lilian Kiriimi, Research Director, Tegemeo Institute (ReNAPRI), Kenya
- Zena Mpenda, Research Director, Sokoine University of Agriculture (SUA), (ReNAPRI), Tanzania
- Tracy Davids, Manager, Markets Division: Bureau of Food and Agricultural Policy (BFAP), (ReNAPRI), South Africa

Panellists:

- Protase Echessah, Senior Program Officer, AGRA, Kenya
- Lucy Njenga, Director of Policy, Ministry of Agriculture, Kenya
- Holger Matthey, Team Leader: Medium-term Outlook and Market Analysis Team of the Trade and Markets Division at the Food and Agricultural Organization (FAO) of the United Nations, Italy

5.1. Key Findings

- Importance of prioritization of value-chains
 - Prioritizing helps determine which value-chains to focus on when there are many policy and project options.
 - National Agriculture Investment Plans (NAIP)
 - Identify actionable policies, investments, institutions, and private sector actors to ensure the value chains are competitive, profitable and contribute to national goals.
 - In order to better understand and advise, in-depth analysis is needed: market dynamics, competitiveness, profitability, economy-wide impacts on development outcomes and policy trade-offs.
 - The private sector needs to know prioritized areas for investment.

- Helps poorer farmers participate in the markets by prioritizing which products will be the best option.
- Explanation on the analytical approach
 - A combination of tools is needed, along with an understanding of the context of the market and the rules.
 - Tools are: partial-equilibrium model (PE model), value-chain analysis (market flows, prices, the players, etc.), economy wide model (GDP growth the economy, etc.), geographic information system (GIS) & spatial contextualization (soils, climate, infrastructure, natural resources, etc.)
 - The PE Model and market analysis are used for future projections and the need to evaluate select a few from several options.
- Example: Kenya
 - Kenya's government policy: Agricultural Transformation and Support Food Security Aspirations (ATSFSA) and Big 4
 - Kenya produces over 100 value-chains, therefore prioritization was needed. Criteria for prioritization: income potential, dietary diversity, agro-ecology, competitiveness, national priorities, and foreign exchange earnings.
 - Value-chain project: further identifying prioritized value-chains using public and private sector stakeholder engagement, data collection & validation.
 - Ranking of value-chains using quantitative and qualitative criteria.
- Example: Tanzania pilot project conducted a value-chain selection process
 - Sunflower study showed 35% of seed produced goes to large-scale processors while 65% goes SMEs.
 - Domestic demand is high; therefore, imports are needed. Good oil is being exported as by-products while importing oil to meet demand.
 - Extraction is very low because of old machines used.
 - Recommendation: incentivize processors. This will improve profits for farmers, lower profits for processors, with absolute profit will be a win-win for all actors: economy wide gains.
 - Cassava study showed commercialization feasible but unlikely to be inclusive of smallholder farmers because the farm needs to be 60 ha to benefit.
- AGRA Experience
 - First ten years of the organization, they focused on the development of technologies: fertilizers, developing the technical capability of institutions through institutions to institutions learning.
 - However, AGRA recognized they were not getting the results they had wanted, and changed their strategy.
 - AGRA is now focusing on a market-led productivity push. This year AGRA has established a unit that focuses on food trade with funds from Department for International Development (DFID).
 - Key objectives: (1) stimulate movement of agri-commodity from surplus to deficit areas. Work with the government, and civil society to improve transparency of government transactions. (2) Focus on policies and regulatory reforms to help regional integration. 3) Set aside resources for technical support for off-takers.
- Kenya Experience
 - Challenges in Kenya because there are two government levels; their agricultural priorities need to be organized (47 counties which have their own priorities, national government with its own priorities also).



- FAO Report
 - Overall, ten-year projection shows:
 - Stable prices for crop and animal products fundamentally with some fluctuations globally.
 - Consumption may grow for Africa and Asia for meat, fish, and other products, but staples may not change significantly.
 - 23% potential growth in Africa population and 15% in per-capita income growth.
 - FAO noted that ReNAPRI is an important partner, and hope to continue their research collaboration.

5.2. Recommendations / Opportunities

- Prioritization of policy areas
 - Develop a market study that illustrates the competitiveness of some value chains at country level, and upscale it to a regional level.
 - Foster active trade corridors within these value-chains.
 - Develop infrastructure and policy that informs decisions on the various value-chains.
- Need a stronger inter-Africa network.
- FAO report noted there is likely to be an import gap of about 45%, and may be taken by foreign suppliers. How can African industries grab that opportunity? Global markets are ready to supply; hence a protective measure is already needed if Africa is to supply its own market.
- More data needs to be shared with civil society, so they can hold government officials accountable.
- For inter-Africa trade, quality is essential. The region should develop information on pests and regional pests' crises in order to support improved crop quality.

6. Session Four Part A: Toward Building the Agenda for Abuja II Fertilizer Summit

The continent's demand for food (cereals) is projected to more than double by 2050 relative to the 2010 demand. This becomes particularly important when the problem of increasing population is coupled with the challenge of adverse climate change. The AfCFTA provides the opportunity for scale production increases and continental market access in the agricultural value chains (input and produce markets). However, the realization of this potential is dependent on productivity growth in primary agriculture. Thus, increased productivity realized through improved access to fertilizer will position the African agri-food system to meet the continent's projected food demand.

Given this context, during the 2019 African Green Revolution meeting in Accra, Ghana, DREA convened a meeting to discuss plans for the Abuja II Fertilizer Summit. The meeting acknowledged that over the past 13 years since the first Abuja Fertilizer Summit, the fertilizer landscape in Africa has changed rapidly. In the wake of the changing agri-food systems, characterized by increasingly globalized markets, rapid population growth, shifting employment patterns, climate change, and the rise of commercialized emergent African farmers, the fertilizer landscape also has changed dramatically. New science on the transformation of African agriculture demands a shift on conversations that need to be tabled for the planned 2020 Abuja II Fertilizer Summit.

The objectives of this side event are to (1) identify a new body of knowledge in the changing global and African Fertilizer markets; (2) identify existing fertilizer intervention challenges and opportunities, including successful interventions in support of smallholder farmers in Africa; (3) identify opportunities for building a coalition of African and international support for Abuja II Fertilizer Summit; and (4) commence a process of preparing Abuja II Fertilizer Summit. As such the keynote speakers will highlight the main challenges



and practical policy-relevant responses for addressing the challenges of sustainable agricultural productivity, intensification and resilience in Africa. The panel, composed of African-led researchers and international thought leaders working in fertilizer, soil health, and agricultural policy, will highlight priority areas that the Abuja II Fertilizer Summit stakeholders need to address.

Moderator:

Richard Mkandawire, African Director, Alliance for African Partnership (AAP), Michigan State University (MSU), Malawi/United States of America

Presentation:

Thomas Jayne, Professor: Michigan State University (MSU), (ReNAPRI), United States of America

Panellists:

- Killian Banda, Fertilizer Policy Research Assistant: African Fertilizer and Agribusiness Partnership (AFAP), South Africa
- Alexander Fernando, Deputy Director East and Southern Africa: International Fertilizer Development Center (IFDC), United States of America
- Hambulo Ngoma, Research Fellow: Indaba Agricultural Policy Research Institute (IAPRI) (ReNAPRI), Zambia
- Everlyn Musyoka, Commercial Operations Lead: Bayer Africa, Uganda
- Protase Echessah, Senior Program Officer, AGRA, Kenya

6.1. Key Findings

- There has been tangible progress since Abuja I, although below the original targets.
 - Inorganic fertilizers and improved seed utilization are not enough.
- Africa's growth still relies mainly on cropland expansion – there isn't enough productive growth.
- Greater focus needs to be placed on: soil health, sustainability, and crop resilience.
- Why low crop response to fertilizer? Organic matter depletion, fertilizers are not delivered on time, soil acidity, secondary nutrients deficiencies, soil compaction, drought, late weeding, striga.

6.2. Recommendations / Opportunities

- Ways Abuja II can build on Abuja I:
 - Improve farm management practices: Train farmers on the efficient use of fertilizer, thereby increasing yield.
 - Improve the usage of fertilizer, make it more effective, including timely use of fertilizer.
 - Increase price (farm-gate commodity price) of outputs and reduce the price of inputs (farm gate fertilizer price).
 - Mobilize the private sector to invest in African Agriculture.
- Agenda for Action
 - Strengthen national agricultural systems and extension programs.
 - Asians countries spend 8x more per farmer than African countries.
 - National R & D systems must generally become more effective users of existing funds before they can absorb greater funding.
 - Develop and extend location-specific fertilizer use recommendations, based on local ecological conditions, farmers' specific plot needs, and utilize available new technologies like the handheld soli testers.
 - There is a role for the government to play in reducing the farm gate prices of fertilizer and other key inputs.



- Invest in physical infrastructure: irrigation, ports, rail, roads, and communications.
- Policies and enforcement of regulations, such as, fertilizer truth-in-labeling to protect farmers.
- Encourage competition and private investment in fertilizer and seed marketing.
- Encourage competition and investment in crop marketing.
 - Ratify and implement the African Continental Free Trade Agreement.
 - Land laws that encourage transfer of land to productive users, attract new buyers, and improve market access conditions for all farmers.

7. Session 4 Part B: Toward Building the Agenda for Abuja II Fertilizer Summit

The objective of these breakaway sessions was to gain practical insights on improving availability, access to and use of fertilizers across the continent. This enabled participants to share their experiences on what works under what conditions. Overall, the discussions shaped or generated lessons that would help to develop/strengthen national and regional fertilizer policies and regulatory frameworks for successful investments in fertilizer value chains, resilient production systems and increased crop productivity. Key questions centred on which policies/practices work best, the experiences so far, what are the existing bottlenecks and what can be done.

Moderator:

Richard Mkandawire, African Director, Alliance for African Partnership (AAP), Michigan State University (MSU)

Breakaway Groups

Group 1: Soil health and fertilizer interface debates and new research developments

- Team: Chika Jidere, Isaac Minde
- Guiding Question(s): What is the extent of use of integrated soil fertility approaches, what are the major barriers, and what can be done?

Group 2: Best-practice models to increase fertilizer investment and fertilizer availability

- Team: Killan Banda, Milton Ayieko, Richard Mkandawire, Evelyn Musyoka
- Guiding Question(s): PPP vs. Investor Consortia; in-country production/blending vs. imports.

Group 3: Best-practice models to increase fertilizer access and use by stallholder farmers

- Team: Joshua Ariga, Thom Jayne, Hambulo Ngoma, Felix Asante, David Mather, John Olwande
- Guiding Question: FISP vs. out-grower credit schemes vs. joint venture capital.

Group 4: Promoting regional trade, continental and national manufacturing capacity

- Team: Gerald Masila, Jackie Mkindi, Prosper Noyiragijje
- Guiding Question(s): Compliance and standards/truthful labeling of fertilizer products/blends – to what extent is this a problem in Africa? What penalties exist and are they effective?

7.1. Key Findings

- Included in the recommendations below.

7.2. Recommendations / Opportunities

- In order to improve soil health and effectiveness of fertilizer:
 - Look at the quality of the organic matter, i.e., carbon nitrogen ratio.
 - Soil analysis is important.
 - Soil fertility evaluation. Create baseline information across the African continent.
 - Help farmers understand the quality, how to apply and why.
 - Develop infrastructure so there is delivery of fertilizers at the lowest cost.



- Pay attention to other agricultural practices, for example, timely weeding to compliment fertilizer.
- Minimum tillage to keep the farm productive.
- New science is emerging and is trying to cover the knowledge gaps on fertilizer application.
- Best-practice models of increase fertilizer investment and fertilizer availability:
 - Soil mapping.
 - Regional research and development and share information across borders.
 - Efficient training of extension workers.
 - Training of agro-dealers.
- Best-practice models to increase fertilizer access and use by smallholder farmers:
 - Addressing the challenges by creating standards and maintaining compliance.
 - Certification and conformity to standards.
 - Standards should be country requirements based.
 - Quality of infrastructure to promote trade.
 - Labeling – for transparency and efficiently.
 - Strong linkage between the private sector and end users should exist.
- Promoting regional trade, continental and national manufacturing capacity.
 - Soil testing technology.
 - Have budgets for research.
 - Compliance systems emphasized.
 - Build capacity of institutions.
 - Strengthen monitoring and evaluation.
 - Penalties on large scale producers.
 - Balance on regulation.

8. Session Five: Recap, Way Forward & Closing Remarks

Speakers:

Jackie Wabbi, Research Director: Department of Agribusiness and Natural Resource Economics, Makerere University, (ReNAPRI)

Emily Weeks, Senior Policy Specialist, USAID

Miltone Ayieko, Executive Director: Tegemeo Institute of Agricultural Policy and Development, Egerton University, Kenya (ReNAPRI)

Recap:

Session 1: Who and What is ReNAPRI?

- Regarding AfCFTA: if we are to harvest the potential of AfCFTA, we have to tend the seeds that have already been planted by our leaders.
- Summarized ReNAPRI, who we are, the work we do.
-

Session 2: The African Continental Free Trade Agreement: opportunities, threats and challenges

- The private sector representatives emphasized the opportunities the AfCFTA provides.



- What is needed is: political will, to incentivize the innovators, budget (finances), skill training, and tax incentives,
- Create national priorities, harmonize policies, and foster synergies across government agencies and ministries in order to support private sector development.
- Address the land tenure system. It should allow for inclusivity.
- Reduce cost of doing business, including non-tariff trade barriers, improve connectivity.
- Mindset change – accept and believe in the potential of Africa. Look for and promote African solutions.
- Bridge gap between policy and research, while also improving the quality of data.
- AfCFTA: 54 out of 55 countries have signed. However, a lot still needs to be done.
 - Leverage existing RECs as a starting point
- Remove bureaucratic processes
- Profile entire continent. Land, land tenure system, comparative advantage.

Session 3: Prioritizing & Targeting Public Investments along Key Value-Chains – examples of Tanzania & Kenya

- It is important to have the research to inform on how to best prioritize on investments into value chains.
- PPVC: teases out policies that have highest impact.
- This allows for catalytic investments which propel governments into economic development.

Session 4: Toward Building the Agenda for Abuja II Fertilizer Summit

- Overall *soil health* perhaps more important than merely increasing fertilizer usage.
 - We need to think about increasing efficiency, increase output prices, while reducing input prices
- Improve the timely delivery of fertilizers.
- Encourage private sector involvement to invest in agriculture especially in the fertilizer market.
- Embrace technology – hand-held soil tester reflectometer
- Need for regulation to avoid adulteration and counterfeit products with punitive measures and/or incentives.
- Address the gap between knowledge on technologies/information between the source and farmers.

Way forward:

If we are to benefit from the AfCFTA:

- Utilize quality data
- Research output – make it widely available to users
- Improve research translation by effective packaging and contextualization.
- Engage with policy makers – they are willing
- Raise visibility

Closing remarks

In the end, the onus is on us to leverage AfCFTA, potentially through workshops, conferences, and meetings.

