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Speech delivered by José Filipe Fonseca, CTA representative at the Official Opening Dinner

Honourable Daniel Clemente, Permanent Secretary, Ministry of Agriculture, Republic of Mozambique

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Distinguished delegates and guests

Dear colleagues and friends

Caros amigos

Good evening! Boa noite!

I feel honoured to represent CTA, a joint ACP-European Union organization based in the Netherlands, at the annual regional agricultural policy dialogue which takes place this week here in Maputo. My first words are words of thanks to the Ministry of Agriculture of Mozambique, the Eduardo Mondlane University of Maputo and FANRPAN for allowing us to be among those who have not given up their belief and their efforts to make the agricultural sector in Southern Africa fully play its roles in providing adequate food and nutrition, and in contributing to the economic development of all nations in the region.

We live in a world dominated by buzzwords. This is particularly true when it comes to development, and especially agricultural development in Sub-Saharan Africa. Buzzwords come and go but the people and the poorest among us see nothing or very little of what is said in dominant discourses and headlines.

It is said that agriculture is back on the agenda. But is that really so? During the 2007-2008 global food crisis we all heard prominent voices, read reports from world summits saying that the time of investments in agriculture had come. Mainstream media with an international audience spoke about global food crisis mainly because developed countries got scared by the substantial increase of food prices.

In the meantime, things seem to have gone back to normal in those countries and there are no more images of food related turmoil to show. But in Africa, the food crisis has been a permanent one and the vulnerability of African countries to all types of shocks has not been reduced.

Through their Maputo Declaration of 2003, African leaders committed themselves to finally address the problems which have been preventing the agricultural sector from playing its role in the economic development and well being of African populations. When one sees what has happened since, the question about Maputo being just another buzzword is a legitimate one.

Why is it that the majority of African Governments are not investing in agriculture as they have committed themselves to do since the hopeful days of independence? Is it because policy-makers, senior technocrats, experts, entrepreneurs and the ordinary citizen have an undervalued perception of the roles of the agriculture sector? Or is that because the backward and forward linkages between the agricultural sector and other economic and social sectors are not clearly understood and are not reflected in the official statistics? Or is it because of the aid-dependency with its far-reaching economic, political, intellectual and moral consequences?

As far as we are concerned, one of the difficulties has to do with the concept of agricultural sector itself and the responsibilities attached to it. As long as Governments see agriculture as the primary production of animal and plants only, they will not provide the resources, institutions and instruments needed for the agricultural development and that of the entire economy. Countries with successful agriculture are those where the Ministry of Agriculture has a strong say in the formulation and monitoring of national policies on trade, industry, transport, energy, telecommunications, banking, tourism, as far as these and other sectors and sub-sectors affect agriculture and its modernization.

The fact that linkages between agriculture and other sectors are not captured in current official statistics is obviously a constraint when it comes to determine the true contribution of agriculture and to lobbying for greater public investments in basic infrastructure, institutions and services as a prerequisite for domestic and foreign private investment. But, the absence or weaknesses of statistical data should not be used as an excuse for not implementing the Maputo Declaration. Although we believe in evidence based policies we also believe in pragmatism. In many cases “we have to start from specific issues and not from concepts”, as one Chinese scholar puts it.

If Sub-Saharan African countries are unable to feed their populations today, what will happen in the next decades when the agricultural population will for sure continue to decline and the urban population will increase to unprecedented levels? The pace of urbanization can and should be slowed through for instance the development of an agricultural sector which provides employment and better livelihoods for the youth and the development of secondary rural towns equipped with basic economic and social infrastructure and services. Sound urbanization models may also be developed, but urbanization as such will not stop.

Urbanization is a given and Governments and the Civil Society have to face it. Urbanization is a serious challenge to Governments, but it can also be seen as an opportunity for the development of agriculture. It will be accompanied by increasing demand on food, including processed food. As everyone can see in major African cities, while the so called “supermarket revolution” is still in its initial stages, urban demand has triggered the creation of thousands of informal micro and small

enterprises in particular by women who have been able to adapt and diversify their offer and add value to processing and the marketing of agricultural produce. Urban consumers will also become the target of larger agricultural, and food processing enterprises

For African countries to seize the opportunity offered by urbanization, the productivity of land, water, plants, animals, people and other factors must dramatically improve as a result of consistent investments in agriculture. A performing agriculture sector will not only enable domestic trade and export to thrive and earn foreign currencies which can be invested in other sectors; it will also provide raw materials to transport and processing industries, and so on.

Domestic markets and exports are major catalysts of economic development as they provides incentives for the production of more goods of better quality and the productivity of the labour force to meet demands. With regard to export markets, African countries have paid less attention to intra-regional markets in spite of increasing difficulties for them to export agricultural products to European countries as a direct result of new barriers imposed by European governments and importers. According to Anna Lipschitz and others, intra-regional trade in fresh and processed food stuffs offers the following advantages and opportunities:

- Regional markets have an unlimited potential thanks to urbanization of African societies
- Limited competition from abroad
- Countries with comparable bargaining power
- Added value remains in the region
- Limited need of hard currency reserves

The development of the agricultural sector as a response to domestic trade and to intra-regional export incentives appears therefore as an essential element of economic growth and pro-poor policies. However, the most difficult constraints to regional trade are not the lack of physical infrastructure but the persistence of a variety of barriers which can be subsumed as non-trade barriers. We can apply to intra-regional agricultural trade what Prof. Francis Nyamnjoh, of Botswana said in his book about citizenship and xenophobia in contemporary Southern Africa. "The rhetoric of free flows and dissolving boundaries is countered by the intensifying reality of borders, divisions and violent strategies of exclusion".

I thank you for your kind attention.