

DIALOGUE

MAY 2004

FANRPAN Hosts a High Level Policy Dialogue on Policy Strategies Needed to Promote Permanent Agricultural Recovery And Productivity Growth In The SADC Region



Delegates attending the high level policy dialogue, in Plaine Mognien Mauritius

Following the policy dialogue on "Agricultural Recovery, Food Security and Trade Policies" hosted by FANRPAN in Gaborone, Botswana in March 2003, in conjunction with CTA and USAID-RCSA, it was decided that the policy recommendations from the dialogue be properly packaged and up-dated for on-ward submission to high level policy decision-makers in the region, accompanied by bankable action plans and investment projects. At this year's annual dialogue, convened in the month of March 2004 in Mauritius, the recommendations from Botswana were tabled as the keynote papers.

The delegates at this high level dialogue included high level policy makers, the Honourable Minister of Tourism Anil Kumar Gayan representing the Mauritian Minister of Agriculture and the Government, members from various sections of the Department of Agriculture and other organizations in Mauritius, Mr Carl Greenidge, CTA Director, Ms Vongai Kandwa of the Rockefeller Foundation, Professor

Firmino Mucavele from the NEPAD Steering Committee, representatives from the Ministries of Agriculture, other donor and strategic partner institutions including ICRISAT, the Foreign Affairs Representative in the French Government, representatives of IDEAA, representative from the Michigan State University (MSU) FANRPAN Node Coordinators Researchers from FANRPAN's partner institutions and FANRPAN board members. The two keynote papers are summarised below.

Keynote Paper No. 1

Assessment Of the 2004 Food Supply Situation and Review of Key Policy Issues affecting Agricultural Recovery In the SADC region

The paper reviews the progress or lack of progress in the implementation of agricultural recovery measures.

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Current status of the Food Supply situation in the SADC region

An overview of the current status of the food supply situation in the region in the 2003/2004 season showed that most countries are facing food deficits because of late and below normal rains. The 2003/2004 marketing season faces food deficits in all countries except Malawi, Zambia and South Africa. According to the SADC All Cereal Balance Sheet for the marketing year 2003/2004 the deficit countries in the region face a shortfall of 4,604,000 Metric Tonnes while South Africa and Zambia have a domestic surplus of 1,334,000 Metric Tonnes. The net shortfall for the region is thus estimated to be 3,070,000 metric Tonnes. Countries such as Tanzania and Zimbabwe have huge domestic shortfalls of 1,073,000 and 1,271,000 metric tonnes respectively imports are supposed to make up for the shortfalls. It is important to bear in mind that not all maize shortfalls necessarily need to be covered by imports. Dietary adjustments and cross substitutions which normally occur when there are food shortages cover part of the import requirements. Food aid played a significant role in alleviating the food supply situation in the Southern African food crisis. However there were impediments to the smooth flow of food aid partly due to the absence of policies on GMOs. What emerges from all this is that the livelihood crisis is influenced by short-term and long-term international policy failures and choices. Poor disaster preparedness and unstable macro-economic environments are some of the key short-term and long-term policy constraints.

The policy matrices reviewed the policies in place and the process identified strategic policy options and recommendations to ensure sustainable agricultural recovery, trade and food security in the region. Key policy issues addressed related to trade and marketing, pricing, input supply, strategic food reserves, transport, harmonisation of SPS and the impact of HIV and AIDS on agricultural recovery. The major recommendations included the removal of trade restrictions, market liberalisation, price deregulation, enhanced private sector participation and financial resource reserves for food imports. While the implementation of most of these policy measures was underway in most countries, progress was noted to be very slow. This was found to be largely due to lack of political will and not lack of awareness of what needed to be done.

While short-term policy impact is important for politicians and other policy makers it may not be sustainable in the long run. There must be effective and permanent policies and strategies for addressing long-term food security. The March 2003 Policy dialogue process identified the following strategic policy themes for speeding up agricultural recovery: strengthening disaster preparedness, drought mitigation strategies, strategic food reserves, enhancing food production, productivity and the overall availability, enhancing post harvesting management and agro-processing, deregulation of domestic marketing systems, removal of cross-border trade restrictions, promoting international trade, harmonisation of SPS measures and mitigating impacts of HIV/AIDS. It is also important that the policy processes be genderised in order to address the food and agricultural recovery issues in a more holistic manner.

Specific recommendations for getting policy makers to do what needs to be done include:

- Strengthening farmers' organisations so that they can effectively lobby for policy change
- Availing information on strategic policy issues to key stakeholders for use when intervening at various stages in the policy process
- Capacitating local institutions to monitor and evaluate policy impacts rigorously and package the results in such a way that policy makers respond.
- Organising a forum for policy makers to engage in policy dialogue with different stakeholders at various levels including community
- Engaging in well-researched public debates through the media on topical policy issues.

Conclusion

A review of the agricultural recovery and food security policy implementation in the SADC region found that very little progress has been made in implementing the recommended policies since the first round of policy matrices was circulated in 2003. While most countries have attempted to deregulate and liberalise, governments see the need to continue intervening in the interests of the disadvantaged small-scale

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farmers and other vulnerable groups. A complete liberalisation is going to be difficult to achieve in light of the fact that the disadvantaged small-scale farmers form the majority of the farming population and most of them have not commercialised their activities. Until they commercialise and run profitable farm enterprises they are going to continue needing different forms of government support and governments have a social obligation to provide this support. While liberalisation takes place, governments must continue to play its role of providing a conducive policy environment, develop the necessary socio-economic

infrastructure and provide the necessary support to the small-scale farmers who might be further disadvantaged by free market forces. In all these policy actions, it is important to keep in mind that the impacts of HIV/AIDS are going to be felt for a long time and therefore it is important to address them in all the policy actions taken.

By Dr Ruvimbo Mabeza-Chimedza, University of Zimbabwe, Department of Agricultural Economics & Extension.

Keynote Paper No. 2

Towards the Formulation of Bankable Actions and Investment Projects For the Agricultural Sector in the SADC Region

Poverty is one of the major development challenges in the Southern African Development Community (SADC) region.

The incidence of poverty in the region is among the highest in the world with 40 percent of the total population of the region living below the international poverty datum line of US\$1 per day and 70 percent of the population living below the level of US\$2 per day. SADC's average per capita income is low and has been declining in most member states. The average Gross National Income per capita was US\$1563 in 2002. The agricultural sector in the SADC region, like in other parts of Africa, has not performed well in recent years. Food production has not kept pace with growth in population. For example, cereal production has remained almost the same between 1990 and 2003 at 22753 and 22062 million metric tonnes, respectively. During this period, the population has grown from 152 million to 212 million. This has resulted in a decline in the region's per capita food consumption. Using cereal production as a proxy for food security, this means that the food security situation has deteriorated between 1990 and 2003.

In view of the deteriorating agricultural and food security situation in the region, a number of initiatives have been taken to improve the situation. These include the New

Partnership for Africa's Development's (NEPAD) Comprehensive Africa Agriculture Development Programme (CAADP), SADC's Regional Indicative Strategic Development Plan (RISDP), and the Food and Agriculture Organization's (FAO) Regional Programme for Food Security (RPF5). In addition, a number of conferences/meetings have been held to address the problem of food insecurity in the SADC region. These include Food, Agriculture and Natural Resources Policy Analysis (FANRPAN) policy dialogue held in Gaborone, Botswana, in March 2003, SADC Ministers of Food and Agriculture and Natural Resources meeting held in Dar es Salaam in February 2004. An extraordinary Summit Meeting of SADC is planned for 14 May 2004 to address the chronic food insecurity situation in the region and come up with measures to achieve agricultural recovery and food security.

The RISDP is a fifteen-year comprehensive socio-economic development initiative for the SADC region aimed at eradicating poverty. The ultimate objective of the RISDP is to "deepen the integration agenda of SADC with a view to accelerating poverty eradication and the attainment of

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other economic and non-economic development goals" (SADC, 2003:7). The RISDP is an indicative plan for SADC member countries to develop their own strategies to achieve the objective of regional integration and development goals in the region. Priority intervention areas which are both cross-sectoral and sectoral, are identified in the RISDP.

The CAADP is NEPAD's programme which guides Africa's agricultural development initiative. The programme provides broad priorities for the revitalisation of African agriculture from which more precise strategies and programmes can be derived for operationalization.

Policy Recommendations For Agricultural Recovery in the SADC Region: Need For Prioritisation

Priority needs to be given to those policy recommendations whose implementation is likely to result in a "green revolution" in the SADC region. In this regard, SADC countries can learn a great deal from the Asian experience. The main ingredients of the green revolution in Asia were (a) physical infrastructure (irrigation, roads, storage, etc.); (b) technological innovation and diffusion (modern varieties, extension services); and (c) fertilizer and chemical application. Based on the above and recognizing that the "green revolution" in the SADC region is likely to be achieved by adapting certain technologies and agricultural strategies to the conditions prevailing in the region, it is suggested that the following policy recommendations receive high priority:

1. Investing in irrigation infrastructure (embark on water storage infrastructure programmes and water harvesting/storage technologies, train farmers and professionals in irrigation management).
2. Developing programmes to improve access to key agricultural inputs (seed, fertilizer, pesticides, and vaccines).
3. Strengthening the research-extension-farmer linkages and continue to develop crop varieties and animal breeds that are tolerant and perform better in the prevailing physical environment.

The linkage between policy analysis and implementation in the SADC region is weak. This linkage can be enhanced by addressing the question of how policy recommendations should be implemented. In addition, the following can also enhance the contribution of policy research: Initiating dialogue between policy analysts and policy makers; Preparation and dissemination of policy briefs; Building the capacity of local analysts (institutions) to carry out good-quality policy research work; Building confidence in local policy analysts; and joint identification of policy research issues by analysts and policy makers.

Conclusion

The CAADP and RISDP are good initiatives and provide hope for the eradication of poverty and food security in the SADC region. The challenge will be to implement the good ideas that are presented in the two initiatives and to realise the intended objective of revitalising agriculture. A major challenge will be to mobilize all the resources required for the effective implementation of the two initiatives. Hence, the need to prioritise the implementation of policy recommendations and sequencing investments in identified programmes and projects. Policy researchers can ease the task of implementation by providing concrete suggestions on how the process of implementation might be carried out rather than just addressing the question of what needs to be done to get agriculture moving in the SADC region. The focus should be on those programmes and projects that have an immediate and direct impact on agricultural productivity and likely to yield better results in terms of poverty eradication and enhancing food security.

by Professor Charles Macheke, University of Pretoria, Department of Agricultural Economics, Extension & Rural Development.

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