

Progress on CAAP Implementation

Comprehensive Monitoring and Evaluation (M&E) Report
for the Comprehensive Africa Agriculture Development
Programme (CAADP)

Purpose of the report

- Primary output of the CAADP M&E Framework (which was validated in March 2010)
- Published annually for main audience – Member States.
- Report evaluates trends in agricultural development, performance and spending in Africa - 6% growth, 10% spending
- Tracks key poverty and hunger indicators (MDG1)
- Therefore tracks country/ regional/ continental progress toward CAADP goals and objectives

Outline of each M&E report

- Introduction
- Enabling environment
- CAADP implementation process
- Tracking commitments and spending
- Agricultural growth performance
- Agricultural trade performance
- Poverty, hunger and food and nutrition security
- Investment-growth-poverty linkages
- Conclusions and Messages

2010 Comprehensive M&E Report for CAADP

- Compilation of primary and secondary data
 - Primary from ReSAKSS nodes; Secondary from non-ReSAKSS sources such as WDI, FAO, UN...
- Compilation of analysis across all the Africa regions
 - Focuses more on continental trends, but also disaggregates information by region and in some cases, countries
- Synthesis of relevant literature
 - Includes current and relevant analysis undertaken by organizations such as OECD, World Bank and IFPRI

Introduction: Enabling environment

- Agriculture is crucial for development in Africa
 - Mostly rural, at least 70% of workforce engaged in the sector
- Yet over last 20 years, support to the sector has declined
 - Partly the outcome of SAPs, declining share in aid and government budgets, etc.
- Recent developments have recognized agriculture's role in development
 - WDR 2008
 - Donor pledges made at G8 summit in L'Aquila
 - Maputo Declaration → CAADP

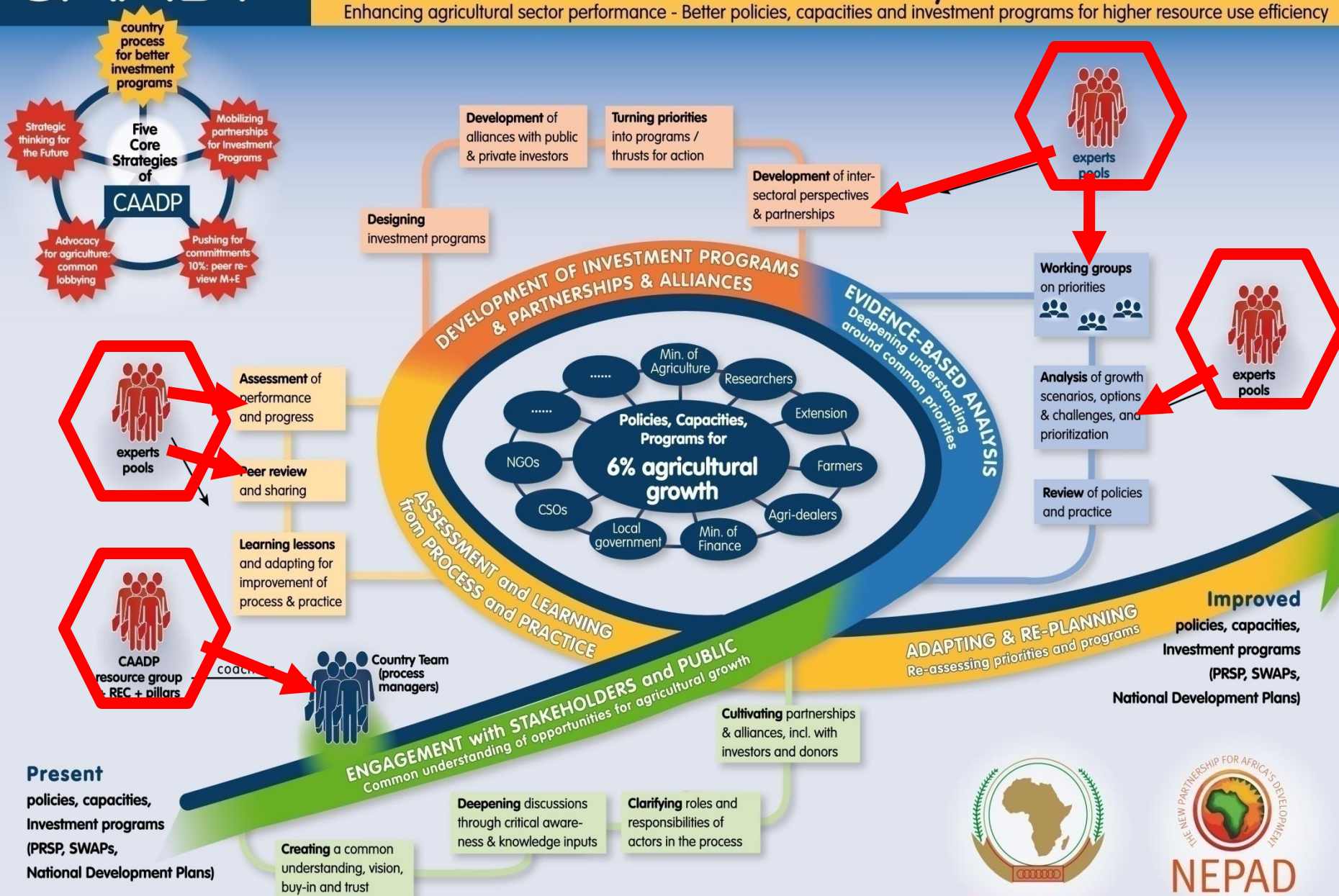
CAADP Implementation Process

- Formulated in 2003 under auspices of AUC and NEPAD
- Since initiation, dozens of countries have begun the implementation process and 22 have held Roundtables (RT) and signed country compacts
- 18 countries have held post-compact investment and review meetings

CAADP

The CAADP Country Process

Enhancing agricultural sector performance - Better policies, capacities and investment programs for higher resource use efficiency



Present
policies, capacities,
Investment programs
(PRSP, SWAPs,
National Development Plans)



African Union Commission



NEPAD

A PROGRAMME OF THE AFRICAN UNION

Public agricultural spending and commitments: Agriculture spending as a share of total spending

At least 10 percent	5 percent to less than 10 percent	Less than 5 percent
Burkina Faso	Chad ²	Angola ²
Ethiopia ¹	Gambia ²	Benin
Ghana ³	Mauritania ³	Botswana ²
Guinea	Namibia ²	Burundi ²
Malawi ²	Sao Tome and Principe ²	Cameroon ³
Mali	Sudan ²	Central African Republic ²
Niger	Togo	Comoros ⁴
Senegal ²	Tunisia ³	Congo, Dem. Republic ²
	Zimbabwe ²	Congo, Republic ³
		Cote d'Ivoire ²
		Djibouti ²
		Egypt ³
		Guinea Bissau ²
		Kenya ¹
		Lesotho ²
		Liberia ¹
		Madagascar ²
		Mauritius
		Mozambique ²
		Nigeria
		Rwanda ³
		Seychelles
		Sierra Leone ³
		Swaziland ²
		Tanzania
		Uganda
		Zambia ²

- CAADP Target = 10% of total expenditures allocated to agriculture sector
- Africa as a whole has not met 10% target
 - Since 1980, the annual average has been between 4 and 6%
- 8 countries have met the target
- 9 are spending between 5 and 10%
- While 28 are spending less than 5

Sources: Based on ReSAKSS data collected from various national government sources and IMF 2009.

Notes: 1. Estimate for 2009; 2. 2007; 3. 2006; 4. 2005; 5. 2004

Public agricultural spending and commitments: Agriculture spending as a share of agriculture GDP

At least 10 percent	5 percent to less than 10 percent	Less than 5 percent
Botswana ¹	Burkina Faso	Benin ²
Zambia	Egypt	Cameroon
Zimbabwe	Ethiopia	Cote d'Ivoire ¹
	Mali	Ghana
	Niger	Kenya
		Malawi
		Nigeria ¹
		Rwanda
		Togo ¹
		Uganda

Sources: Based on ReSAKSS data collected from various national government sources and IMF 2009.

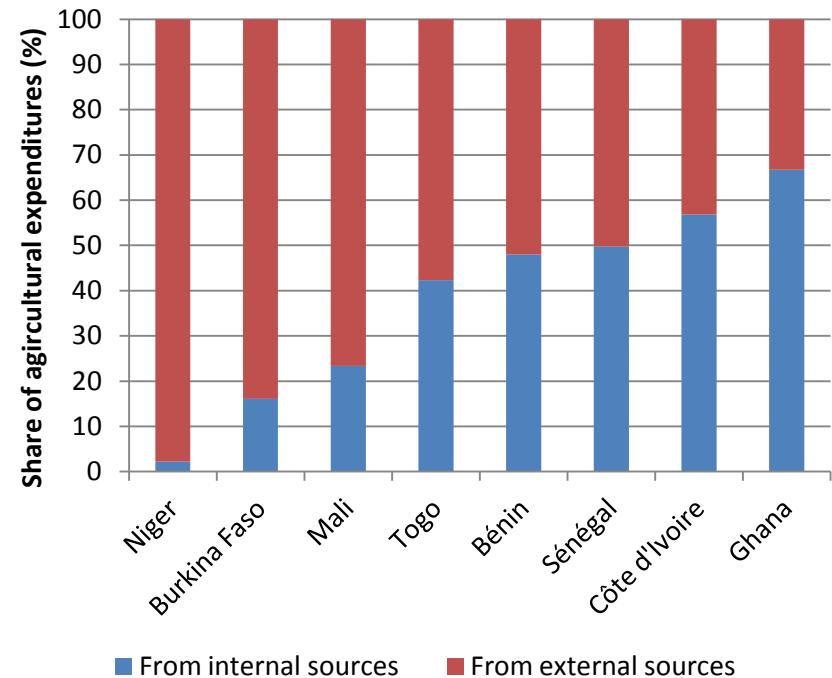
Notes: 1. 2007; 2. 2008.

- An alternative measure that weighs the size of the sector in the overall economy when comparing across countries
- Compared to Asia, Africa agricultural spending under this measure is low
 - Asia spends 8-10% on average compared to 5-7% in Africa
- Only 3 countries exceed the 10% mark

Disaggregation of agriculture expenditures: West Africa (WA)

- What is the source of most agricultural funding?
 - In WA, the Sahelian countries (which largely spend on investments rather than recurrent), funding primarily comes from ODA/external sources
 - Whereas the coastal countries' agricultural spending mostly comes from internal sources

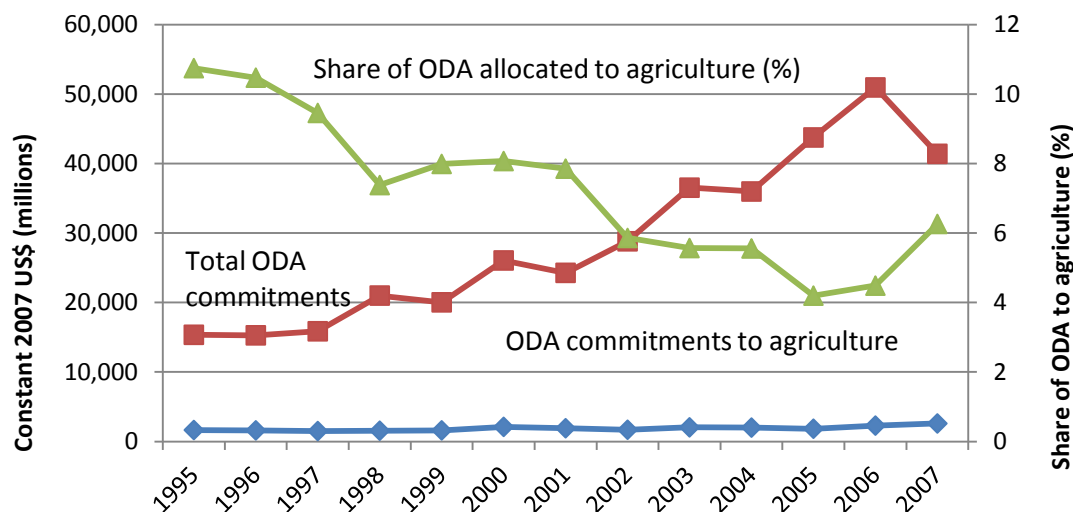
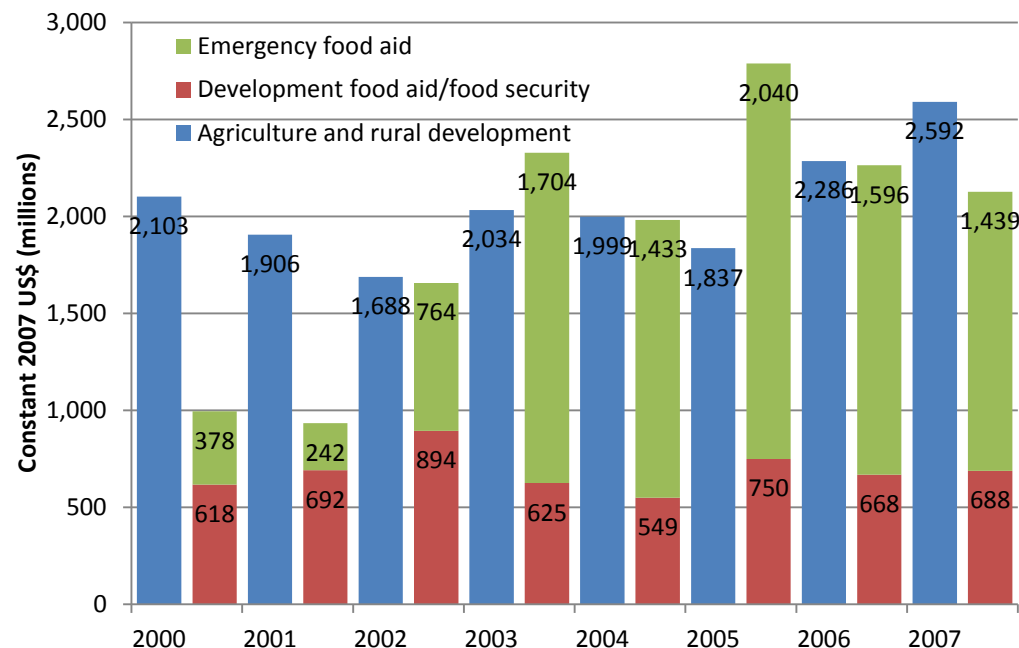
Breakdown of agricultural expenditure by source of funding in selected West African countries (average 2003-2007)



Source : ReSAKSS 2010 data collection from various national government sources.

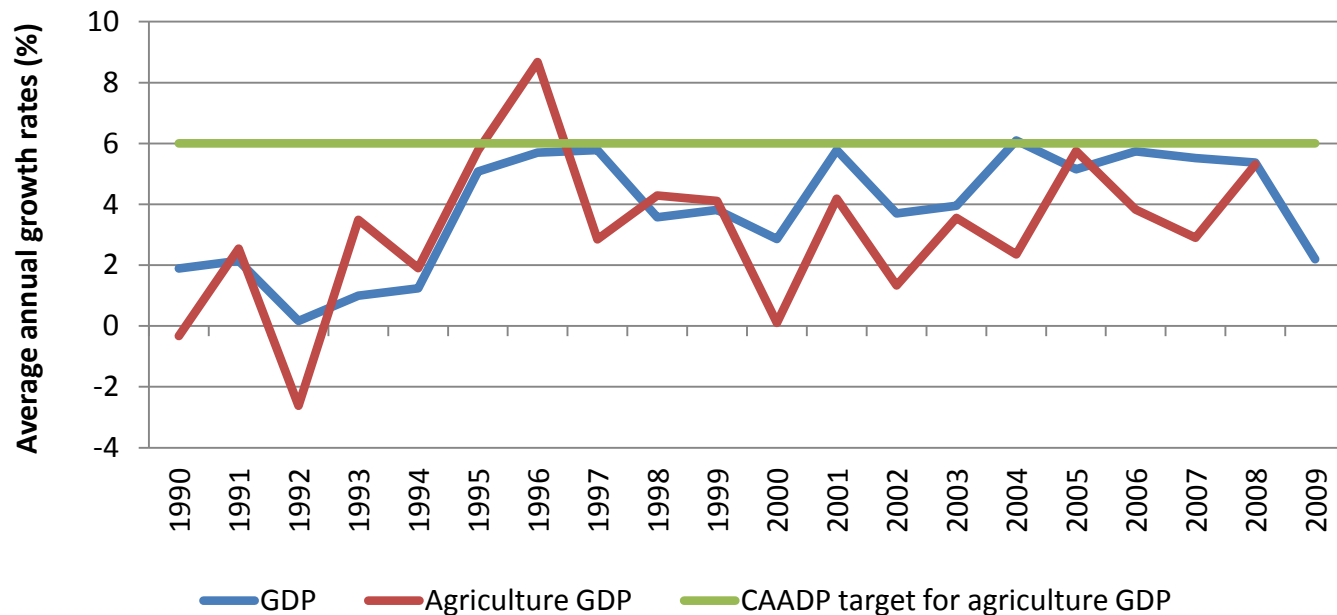
Donor spending on African agriculture

- In Africa as a whole, donor spending for agriculture as a share of total donor spending saw a consistent decline, from an average of 15% between 1980 and 1995 to 12% between 2000 and 2002.
- In 2006, the ratio had declined to about 4%.
- Total ODA for agriculture in Sub-Saharan Africa has hovered at US\$1 billion a year since the 1990s.
- In comparison, the share of ODA spent on aid for emergencies has doubled and, in actual dollars, has more than quadrupled during the same period.
- Although investment in agriculture has increased in recent years, a large and increasing share is still devoted to short-term food aid interventions



Agricultural performance

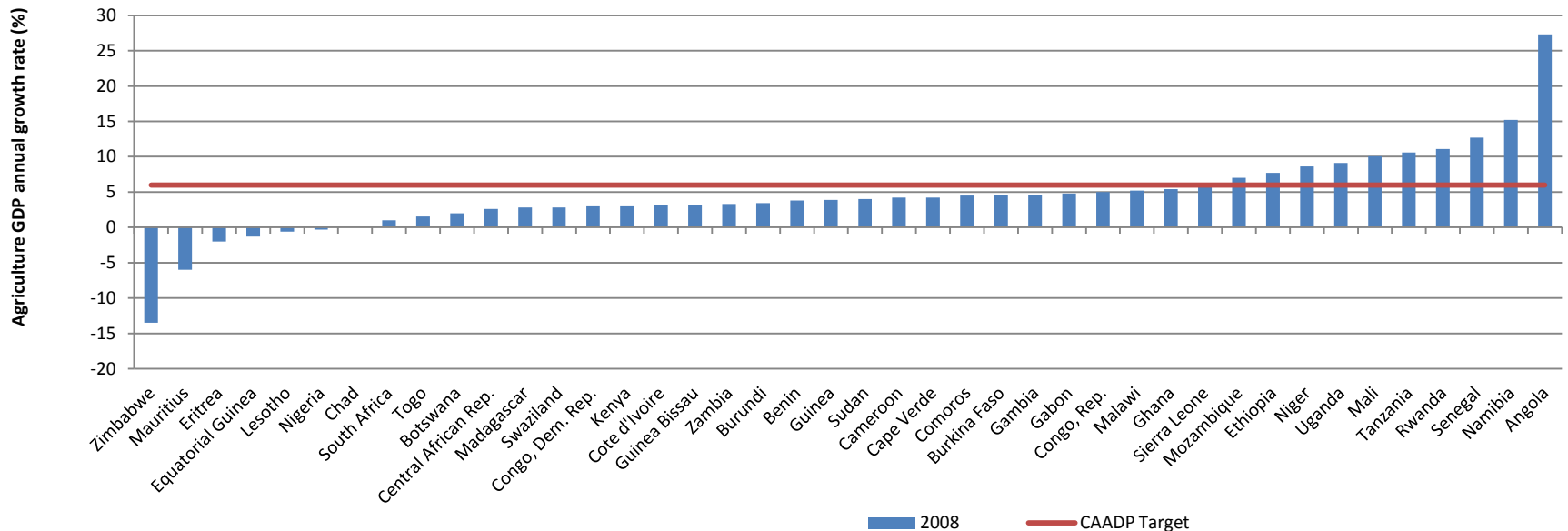
- Although agricultural performance varies within and across African countries, recent trends indicate an increase in agricultural GDP growth at the continental and regional levels
- SSA's agriculture GDP growth rate increased from an annual average of 3.0% in the 1990s and 2000s to 5.3% in 2008
- A similar trend can be observed at the regional level
 - All regions saw an increase in average agricultural growth rates from approximately 3.0% in the 1990s to 2008, although Southern Africa has seen the most dramatic increase with a current agriculture GDP growth rate of 7.1%
 - West Africa and East and Central Africa's recent agriculture growth is also positive at 4.3 and 4.8%, respectively.



Source: World Bank 2009.

Note: 2009 GDP estimates are from International Monetary Fund (IMF) 2009.

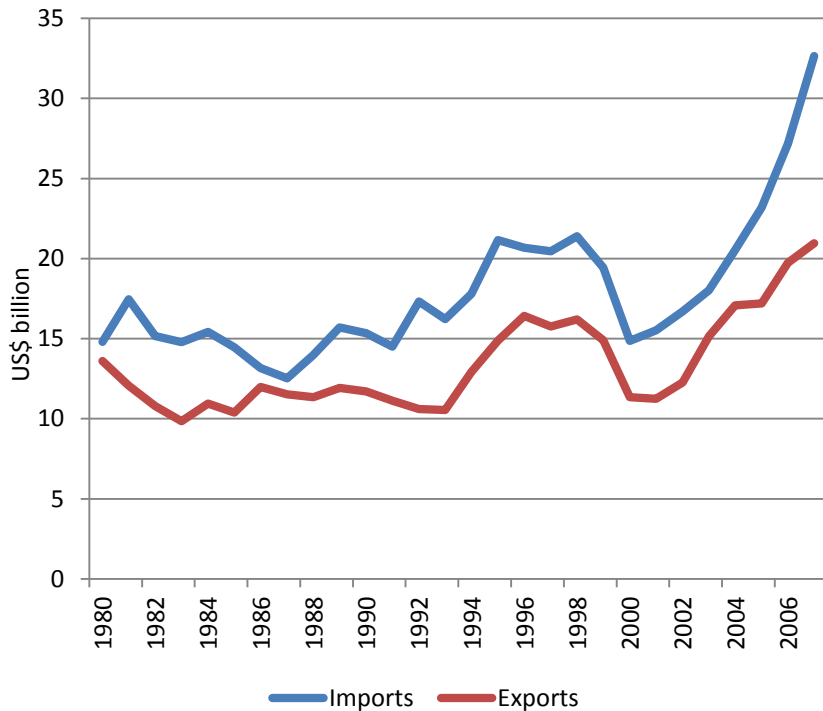
Agriculture GDP growth and CAADP



Source: ReSAKSS calculations based on World Bank 2009.

- The CAADP agriculture GDP growth rate target is 6%
- In 2008, **Nine countries** met the CAADP's 6% target:
 - Angola, Ethiopia, Mali, Mozambique, Namibia, Niger, Rwanda, Senegal, Tanzania, and Uganda.
- Nineteen other countries attained moderate agricultural GDP growth rates of between 3 and 6 percent.
- In the same year, eight countries experienced negative growth in their agriculture sectors.

Agricultural trade performance



Source: FAOSTAT 2010.

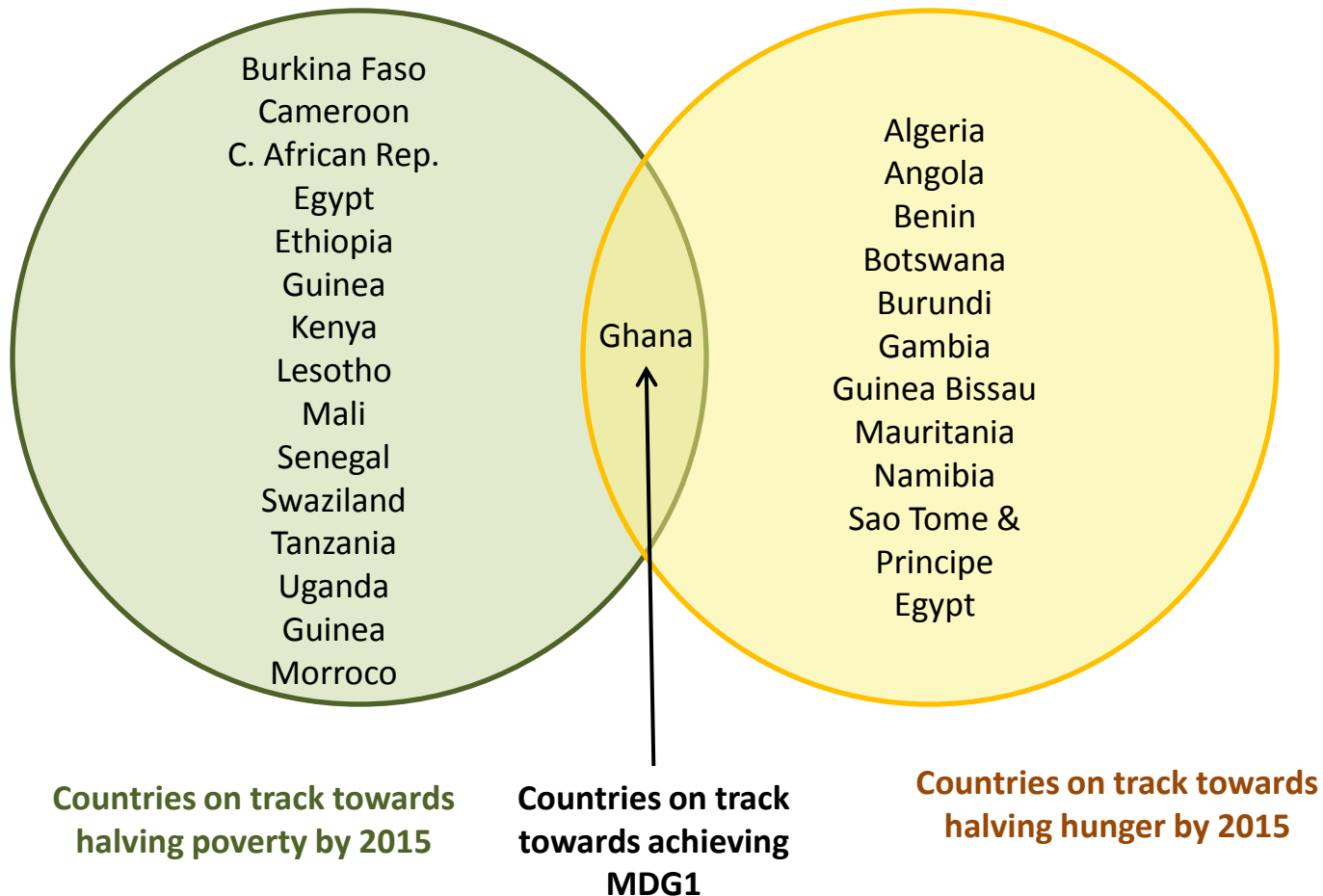
- Sub-Saharan Africa has been a net food importer since the 1980s.
- In 2007, the value of the region's trade deficit started to increase as a result of higher food prices.

Poverty, Hunger and Food and Nutrition Security: MDG1

- The continent as a whole is not on track to achieving the first MDG of halving hunger and poverty by 2015
- ReSAKSS estimates use a simple “business as usual” linear projections based on previous growth rates to estimate current hunger and poverty rates
- These are compared to yearly benchmark rates that are required to meet MDG1 (halving the 1990 rates by 2015) to determine if a region/country is “on track” or not
- According to these estimations, current child underweight prevalence stands at **29.3%** for SSA and current poverty is at **38.6%**, both of which are higher than their benchmark rates

Which countries are “on track”?

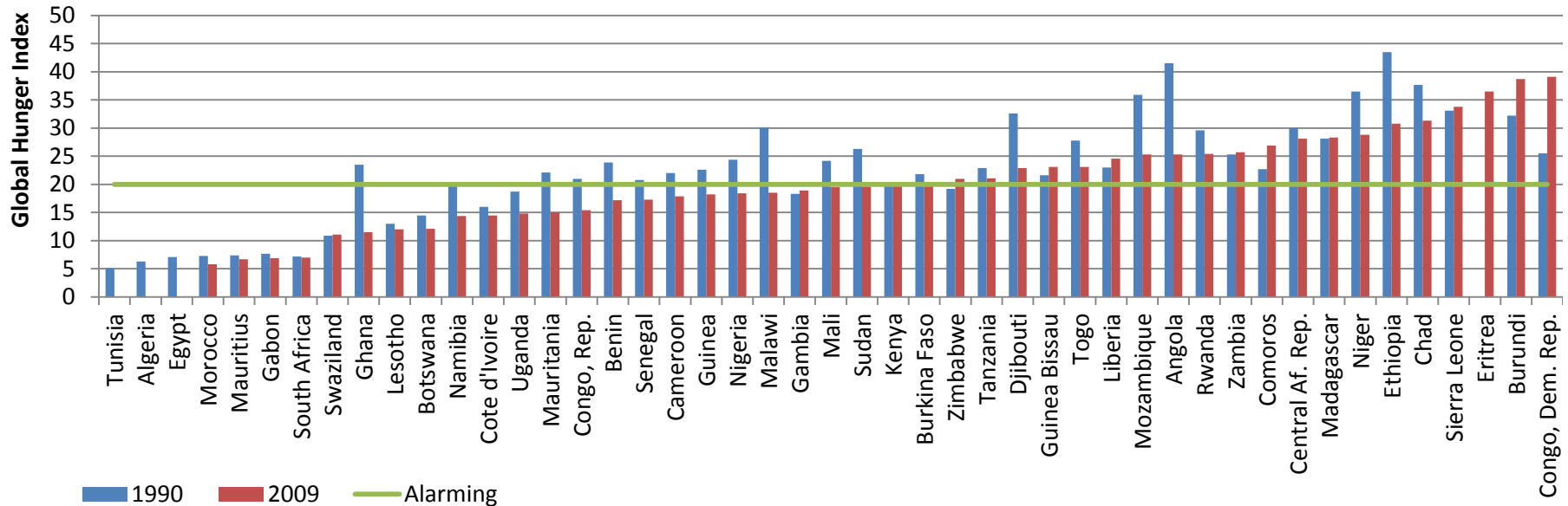
- There are 2 components to MDG1: hunger and poverty
- Great progress has been made in many countries that are meeting one or the other, but only one – Ghana – is currently meeting both



Poverty, Hunger and Food and Nutrition Security: The Global Hunger Index (GHI)

- The index is an average of
 - The percentage of the population that is undernourished
 - The percentage of children that are underweight
 - The under-5 mortality rate
- Captures intra-household food security
- Countries with GHIs higher than 20 are considered to have “alarming” rates of hunger

Poverty, Hunger and Food and Nutrition Security: The Global Hunger Index (GHI)



Source: IFPRI 2010.

- The majority of countries in Africa have seen a decline in their GHIs from 1990 to 2009 (improvement in hunger)
 - In the COMESA region, 2/3 of countries saw a decline
 - In SADC, nearly every country except for DRC and Zimbabwe saw a decline or leveling off of GHIs
 - In ECOWAS, 10 out of 14 countries saw a decline
- Despite these reductions, all regions have multiple countries which remain above the alarming level

Investment-Growth-Poverty Linkages

- Does growth, spurred by investment, lead to poverty reduction?
 - This is the theory behind much of the CAADP agenda (that higher agriculture expenditures will lead to agriculture growth and poverty reduction)
 - In practice, higher overall economic growth has not always translated into poverty and hunger reduction

Conclusions

- Increased attention to agriculture's role is evident in donor and government pledges
- Yet this has been slow to translate into increased spending (8 countries meeting 10% target)
- Agricultural policies and programs must now take into consideration the complex combinations of factors such as more volatile food markets and prices, market distortions, and climate change
- This is what is being emphasized in the CAADP post-compact actions – detailed in the agriculture and food security investment plans

Key Messages

- Unprecedented engagement and progress in CAADP implementation among Member States
- Based on the expenditure-growth-poverty relationships, AUC, NPCA, RECs and Member States should elaborate on the country specific circumstances the meaning of 10% spending
- Lessons emerging from the review of country agric. plans, emphasis on more synergies and complementarities with private sector (such as Commercial Banks etc) should be scaled up.

- Members states need to continue and strengthen involvement of non-state actors in the implementation of CAADP.
- In the same context, alignment of country plans to regional actions and vice-versa require more emphasis – therefore advancing the principles in the Africa Food Basket
- Accountability will be critical for advancing the CAADP agenda.
- Building capacity for implementation and monitoring of performance for agriculture development is of utmost importance.

Thank you!