AFRIFOOD STRATEGY

DEFINING MOMENTS 2020 - 2024

INTRODUCTION

Africa is undergoing rapid economic transformation. Half of the world's ten fastest growing economies are in sub-Saharan Africa. The continent's growth is currently shaped by megatrends. Most frequently cited trends are the rise of the African middle class, rapid urbanization and consequent shifts in food demand and downstream modernisation of the food systems, a rapid shift in the labour force from farming to non-farm jobs, and rising competition over African farmland.

However, the continent still accounts for the largest share (27.4%) of the world's hungry people (333.2 million) against the global 688.5 million. Currently the continent spends over $35 billion and expected to rise to $110 billion by 2025 in agricultural imports to feed its people and the continent will remain a net food importer despite having 60% of the world's uncultivated arable land. As such, it is now recognised that despite having a huge potential in agriculture, Africa cannot eat potential and this potential needs to be unlocked.

Boosting Africa's agriculture entails transformation of the current agricultural practices and food systems and strategically responding to megatrends shaping the continent's agriculture as well as international and regional frameworks such as the SDGs and Agenda 2063. AfriFood is a response mechanism to the urgent need to support the development of Africa's food systems.

STRATEGIC INTERVENTION AREAS

Regional and national food systems are complex and interconnected (Figure 1). Further, the Africa's food system faces a number of challenges that require fundamental transformations (Figure 2). These problems are all interconnected, and hence tend to have no clear solution or line of responsibility. Solutions and improvements in the functioning of food systems are often expected to derive from technological-and especially agricultural-innovations. Yet, we cannot look to these alone to address all the challenges. New approaches based on 'food-systems thinking' are required, drawing on innovative types of learning, analysis and institutional arrangements, coupled with greater collaboration between stakeholders; economists, agriculturalists, policy makers, ecologists, engineers, food and crop scientists, and business, among many others. This multidisciplinary approach is required to reshape food systems so they work for all people sustainably. This is important such that the food systems are nutrition and health-driven; productive and efficient; environmentally sustainable and climate-resilient; inclusive; business friendly; inclusive and innovation led. Delivering innovations especially to the 80% smallholder rural farmers in Africa will be critical in shaping these food system transformations to enrich

AFRIFOOD STRATEGIC ADVANTAGE

- Committed to agricultural and food systems development founded on national and regional agricultural programs giving opportunity to moving the over 80% smallholders out of poverty
- Focused on innovative and inclusive financing for agribusiness incubation and de-risking agriculture
- Advances logistics and supply chains development for agri-food systems to support rural smallholders
- Robust resilience strategies for the conflict and fragility hotspot areas focusing on; building buffer stocks to mitigate the effects of shocks and facilitate recovery and strengthen linkages with emergency preparedness and early warning
- Digital technologies driven to improve the effectiveness and efficiency of agri-food systems
- Youth and women centered with attention to technical and vocational skills development for competitive entrepreneurs and innovators
- Community oriented and rural development centered with strong partnerships at local, national and regional level and linking with other networks

This 'Defining Moments' strategy is the first strategy for the AfriFood for 2020-2024; developed through a consultative regional effort undertaken in Uganda, Ghana, Liberia, Benin, DR. Congo, Zimbabwe, Kenya and Somalia with a global input from partners from USA, United Kingdom, Finland, Australia and Lebanon. This 2020-2024 strategy focus areas are:

- Advance rural transformation and mobilise commitment to agricultural and food systems transformation

- Emergency response, disaster risk reduction and resilience
- Affordable finance, agribusiness, logistics and value chain development
- Incubate new business models, agribusiness models and youth and women entrepreneurial acumen
- Technical, vocational and ICT skills development for women and youth
- Incubate and support agricultural value chain innovation clusters
- Raise investment profile into agriculture including for mechanisation and other technologies, innovations and management practices
- Greater partnerships with rural communities, private sector, and network actors in agri-food systems development.

AfriFood will has proposed a five year investment plan of US$5 million to support its strategy implementation and operationalisation. Additional funding from the country offices will be mobilised on an ease basis and through partnerships responding to strategic country investments and strategic outcomes. Each country office will develop an associated implementation and financing arrangement based on sub-regional and national priorities in Southern African Development Community (SADC), East African Community (EAC), Economic Community of Central African States (ECCAS), and Economic Community of West African States (ECOWAS) regions.

AfriFood is committed to keeping on its agenda cross-cutting themes on gender focusing on women and youth and unemployment. These are critical in responding to international framework such as SDGs; SDG 8: Sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all; SDG 2: Zero Hunger; SDG 3: Good Health and Well-Being; SDG 5: Gender Equality; SDG 10: Reduced Inequalities; and SDG 13: Climate Action; and SDG 9: Industry, Innovation and Infrastructure.

AfriFood will operationalise this strategy through its Centres; i) Center for agricultural research, technology, innovation and knowledge transfer; ii) Centre for Emergency response, disaster risk reduction and policy analysis; iii) Center for finance, agribusiness, logistics and value chain development; and iv) Center for technical, vocational and ICT skills development. These will be underpinned by AfriFood's overall strategic framework for 2020-2024 (Figure xxx).

Figure 1: Complex and interconnected food systems

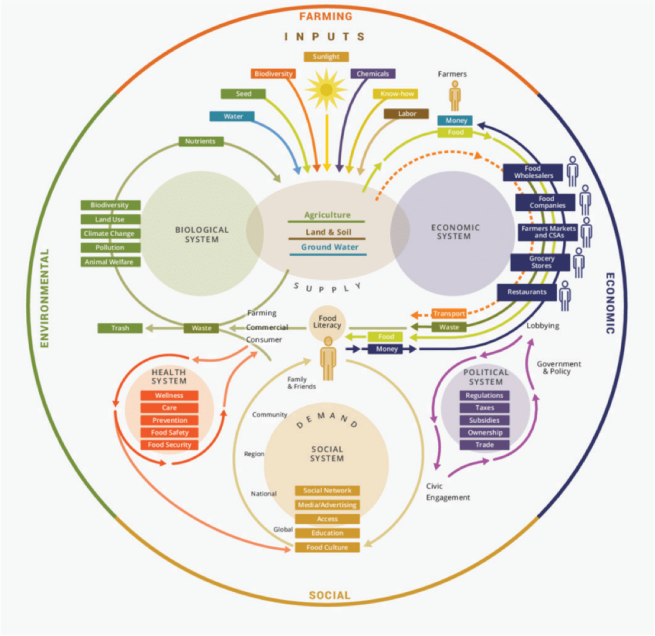
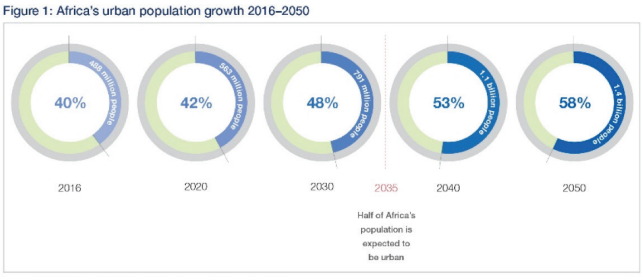
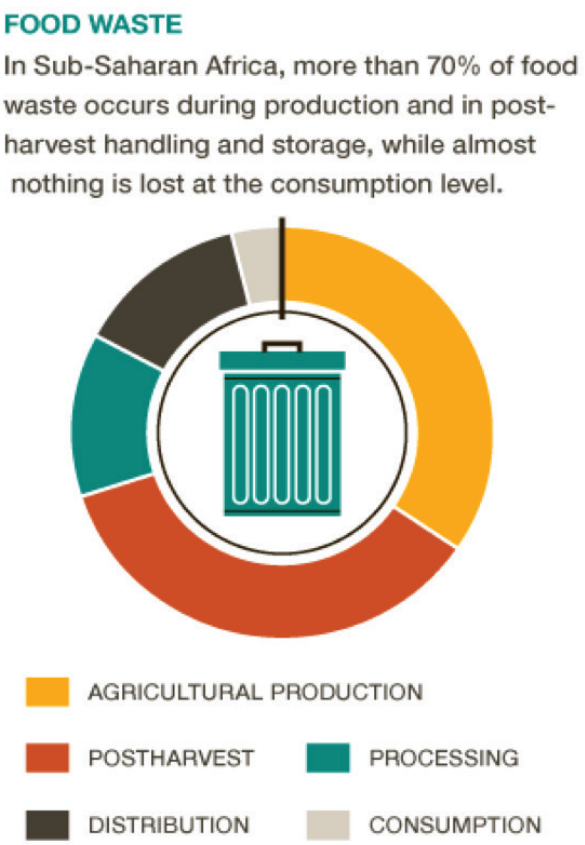
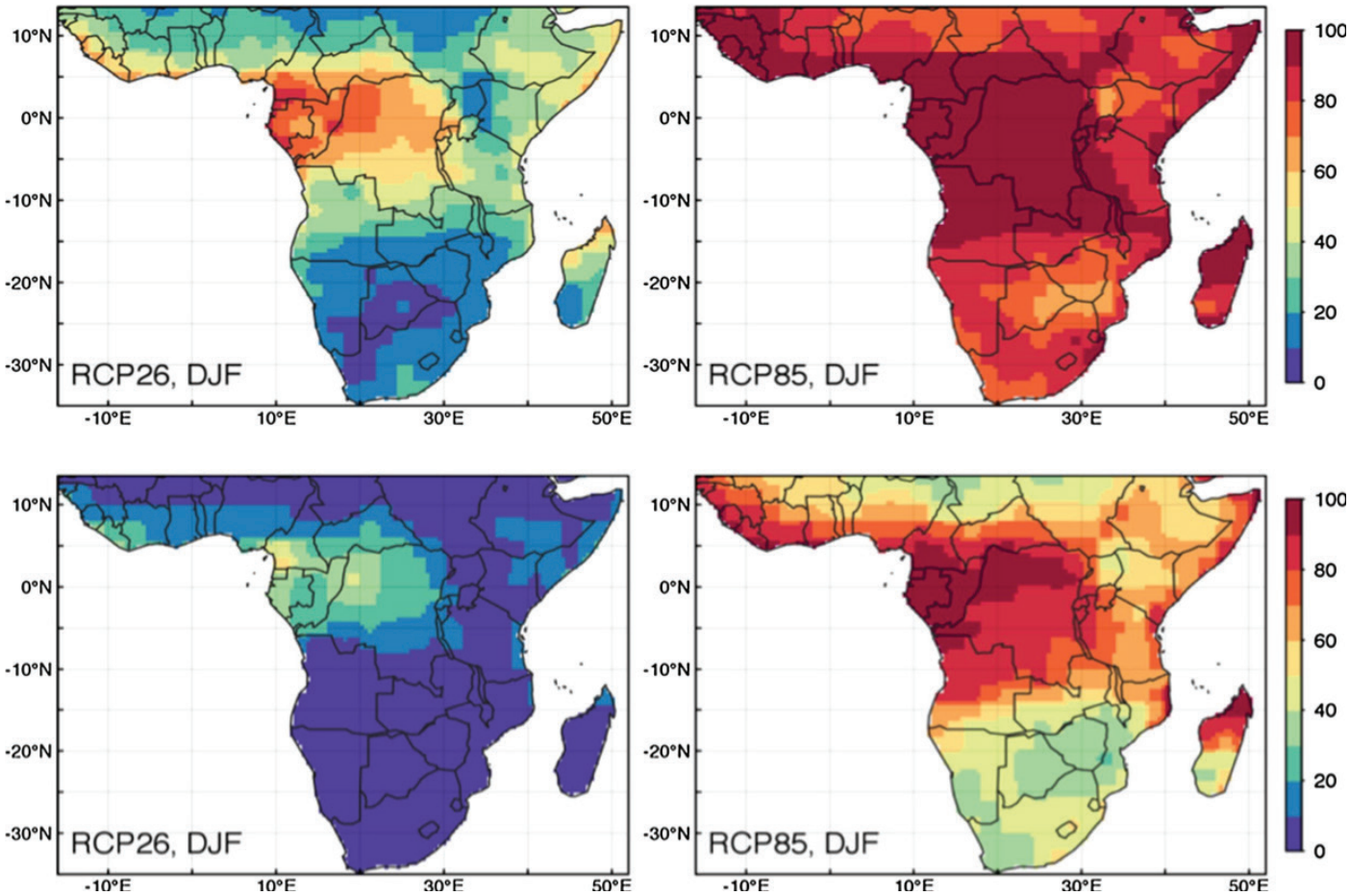


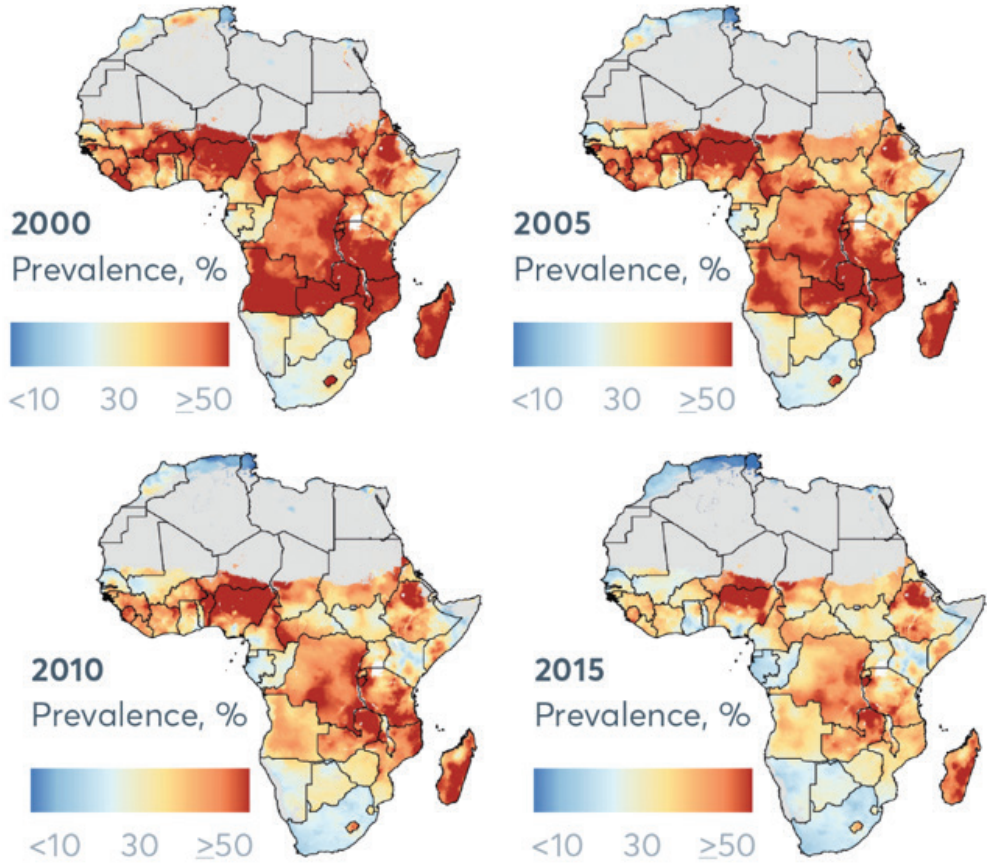
Figure 2: Africa's challenges landscape Africa's urban population growth 2016 - 2050







Climate change: Multi-model mean of the percentage of austral summer months in the time period 2071–2099 with temperatures greater than 3-sigma (top row) and 5-sigma (bottom row) for scenario RCP2.6 (left) and RCP8.5 (right) over Sub-Saharan Africa .



Prevalence of moderate and severe stunting, 2000–2015

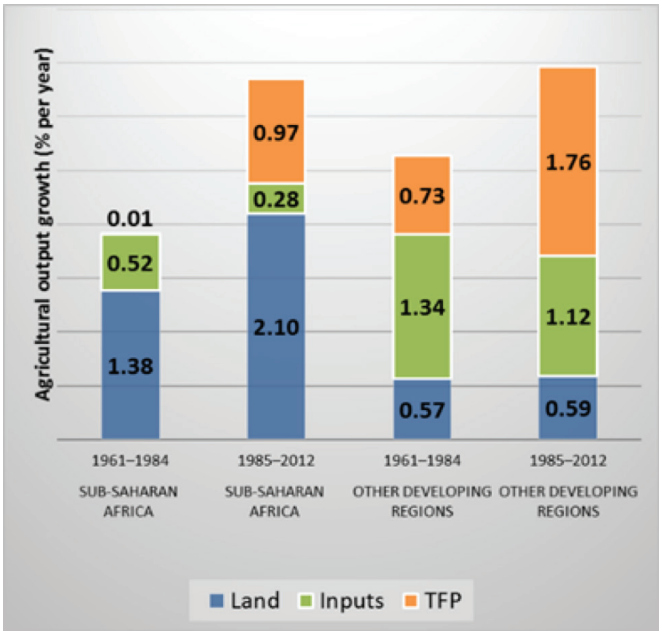


Figure 2: Land, inputs and Total Factor Productivity

i) Center for agricultural technology, innovation and knowledge transfer; ii) Centre for Emergency response, research and policy analysis; iii) Center for finance, agribusiness, logistics and value chain development; and iv) Center for technical, vocational and ICT skills development

AFRIFOOD INTERVENTION THEMATIC AREAS

AGRICULTURAL RESEARCH, TECHNOLOGY, INNOVATION AND KNOWLEDGE TRANSFER

Agricultural technologies and knowledge have, until recently, largely been created and disseminated by public institutions. But over the past two decades, biotechnology for agricultural production has developed rapidly, and the world economy has become more globalised and liberalised. This has boosted private investment in agricultural research and technology, exposing agriculture in developing countries to international markets and the influence of multinational corporations.

For several decades now, the International research centres developed technologies for major global food crops such as rice, wheat, corn, cassava, potatoes, millets and beans. National research institutes used applied research to adjust these technologies to fit relevant ecological and production conditions. The national and international centres worked closely together, sharing training and frequently involving scientists from both sides in visits and seminars. National centres then provided advice and counselling to local farmers, diffusing the new knowledge into the country's production system.

However, technology adoption among rural smallholder farmers and agrifood systems value chain actors remains a challenge. This pattern is further being constrained by technology advances in the recent times. Accordingly, the new economic and scientific context requires a new, more complex, model for transferring technology. The evolving model would have four main components: knowledge management, gap filling research, promotion and regulation of the private sector, and environmental impact analysis. Accordingly, this thematic area will:

- Advance agri-food systems research that is inter-disciplinary and multi-disciplinary leveraging on partnerships and collaboration amongst diverse experts and disciplines;
- Operationalise agricultural transfer and demonstration centers into a base for agro-technology experimentation and research, demonstration and extension, human resources training, and display;
- Support innovative delivery of agricultural extension services to smallholder famers and value chain actors;
- Increase the training and professionalization of agricultural extensionists in Africa to increase the pool of professional agents
- Strengthen the institutional capacities of African agricultural universities to better respond to farmer agricultural extension services demands within an efficient and effective institutional framework;
- Mobilise and work with the private sector to enhance knowledge, information, and technology generation, adaptation, diffusion, and application;
- Leverage the exponential growth in information, communications technology and artificial intelligence to support knowledge exchange and innovation for agrifood systems transformation; and
- Launch early career scholarship programme and the 'totos' challenge programme to strengthen capacities in agrifood systems.

EMERGENCY RESPONSE, DISASTER RISK REDUCTION AND RESILIENCE

Crisis-affected populations are frequently concentrated in disaster-prone areas, climate change hotspots and in places characterized by exposure to security risks, and hence face a great deal of risk to secondary or recurrent displacement that perpetuate and prolong crisis and generate new protection risks. At the same time, local communities begin a recovery process immediately after a crisis event, and often adopt strategies that expose communities to the same risk conditions that caused displacement in the first place, thereby increasing the likelihood of them being affected by shocks and stresses in the future.

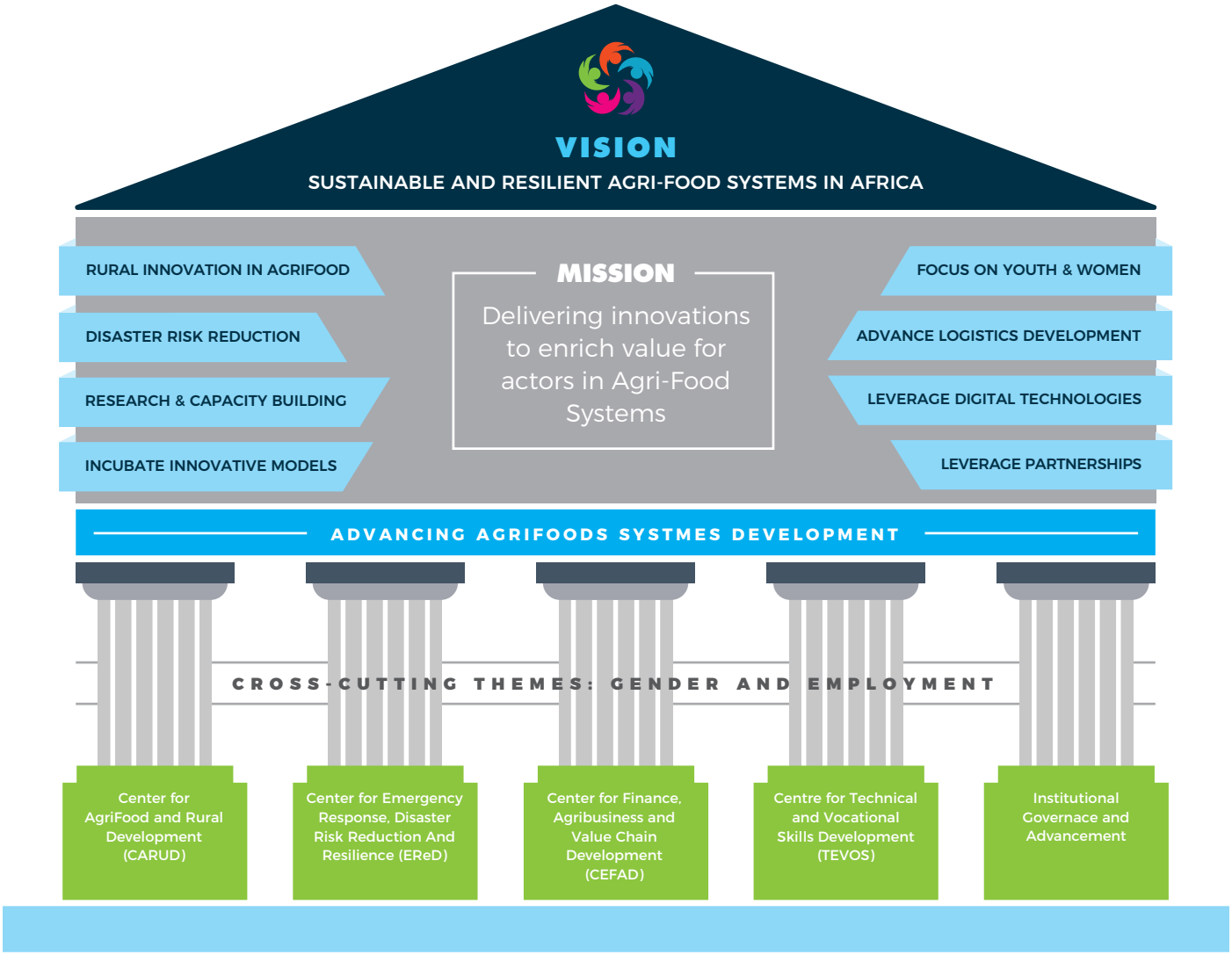
Starting risk sensitive programming early on provides an entry

point to integrate DRR and resilience-based principles more comprehensively into the longer-term recovery process to help build back better and safer, address underlying risk factors and, thereby, enable the strengthening of community capacity to respond to future hazard threats and risks. In this case, it becomes imperative to disaster risk reduction and resilience building through both standalone activities and as a cross-cutting measure that is incorporated into the agrifood systems as well as wherever relevant and technically feasible.

Actions that will be implemented under this thematic area shall include:

- Support efforts to provide direct relief and asset replacement to households and communities in order to avoid livelihood-depleting coping strategies
- Reduced risk exposure to disaster induced displacement through effective disaster prevention-'having the choice to stay';
- Improvement of the capacity of communities to anticipate, respond to, recover from, the mobility consequences of disasters through strengthened disaster preparedness-building capacity for response;
- Rapid, effective and risk-informed emergency response that addresses the immediate needs of disaster-affected populations, as well as secondary risks generated as a result of prolonged displacement-'managing mobility in disaster';
- Improve disaster resilience in recovery and reconstruction-'fostering resilience in recovery'; and
- Expanded and strengthened partnerships to promote integration of mobility in effort to reduce risk and build resilience.

FIGURE 2: AFRIFOOD STRATEGIC FRAMEWORK: 2020 - 2024



FINANCE, AGRIBUSINESS, LOGISTICS, MAKRKETS AND VALUE CHAIN DEVELOPMENT

Agrifood systems are currently undergoing a rapid transformation driven by urbanization, globalization, diet diversification, concentration, and expansion of food markets and trade, among other underlying trends. Coping with these changes requires a broader systems perspective that emphasizes agrifood value chain coordination, value creation and the institutional setting in which value chains operate. This cannot be done without embracing agribusiness development. The agribusiness sector, which comprises the business activities performed from farm to fork, is a major generator of employment and income worldwide and contributes to food security and nutrition. It covers the entire value chain, including the supply of agricultural inputs, the production and transformation of agricultural products, and their distribution to final consumers.

However, access to reliable sources of finance remains a chief constraint particularly for agricultural producers throughout sub-Saharan Africa. Accessing low-cost operational finance can be important in ensuring a supply of funds to operate during the growing season. Access to lower-cost pools of capital financing and leasing services is important to help support farmers and agribusinesses undertake the investments required to increase productivity and profitability. Most people living in extreme poverty derive their livelihoods from this sector, which is also where growth has shown a disproportionately large impact on poverty reduction. It also has major economic importance in countries at all levels of income. Finally, it is a sector where new economic opportunities are emerging, which call for new investments and financing. These opportunities are drawing interest from private investors and financiers at all scales, and this is likely to increase with population growth and dietary changes across the world.

Small and medium enterprises (SMEs) and smallholder farmers2 are major investors in the agrifood sector in countries at all income levels. Their role in meeting growing demand for food in the coming years is likely to be critical. However, both SMEs and smallholders are often seen as unattractive clients by financial institutions, due to their small asset base, fragmentation, lack of credit history, mixed commercial orientation and the informal nature of their businesses.

Meanwhile, as more commercial actors operating on a larger scale in value chains are now using smallholders as suppliers, they often see them as undesirable partners because of their low productivity and fragmentation. On their part, many financial institutions lack products and services suited to the needs of agrifood SMEs and smallholders, or capacity to manage the risks involved. Many also lack experience in supporting value chain arrangements that can facilitate access to finance.

Actions in this area include among others:

- Fostering inclusive and sustainable value chains that enable access to finance for actors in the agrifood sector, by brokering value chain arrangements, developing financial products that leverage value chain linkages, reducing risks in smallholder-inclusive chains, gathering and disseminating knowledge on good practice, and promoting inclusive dialogue platforms;
- Helping build the capacity of these actors to attract private finance (from banks, traders, processors, etc.) and to make good use of private finance as effective entrepreneurs;
- Supporting financing for public goods underlying agrifood SME and smallholder investment, notably in the area of infrastructure but also in areas indirectly related, such as education; and
- Support innovative logistics mechanisms for smallholder farmers and agrifood systems actors to enhance improved responsiveness, cost reduction, improved food quality, reduction of food waste and improved traceability.

TECHNICAL, VOCATIONAL AND ICT SKILLS DEVELOPMENT

Formal vocational training is needed to turn farmers and other actors in the agriculture and food system into skilled entrepreneurs who run their farms or businesses as economic and productive sustainable enterprises. This will be essential for farms and companies in the agro-processing sector to sustainably increase the level of productivity and income as well as their competitiveness on domestic and international markets.

The link between poverty reduction and skills training and increased growth, productivity and innovation, is particularly strong in the informal sector. ATVET/TVET thus plays a vital role in developing the skills that are needed to improve output, quality, variety and occupational safety, which in turn improve health outcomes, thereby increasing the incomes and livelihoods of the poor. ATVET/TVET also helps the trainees to strengthen knowledge about the informal sector, rural organizations and good governance. Access to training and relevant skills is important in many ways; it leads to increased productivity in agriculture-related sectors, links the poor rural population to profitable income generating activities, and attracts young people to agricultural and rural futures. Effective ATVET/TVET systems that build linkages between education, technical training, labor market entry, and lifelong learning are necessary for sustainable productivity growth and for generating better paying jobs in rural areas and beyond.

A secure supply of skilled and seasonal labour, driving productivity gains and continuing to produce world-class products for domestic and international markets is critical for

agri-food systems transformation in Africa. Actions that will be undertaken will include:

- Support the provision of industry-led, fit-for-purpose training and continuing professional development, both technical and business to women and youth including those out of school;
- Promote clear industry career paths and progression opportunities in skills development;
- Support the provision of professional business support to smallholder farmers and other agrifood system stakeholders.
- Expand and diversifying ATVET/TVET access through reducing barriers and increasing opportunities, creating pathways to higher education and supporting the expansion of the private sector led ATVET/TVET engagement; and
- Expand work-based learning and cooperation with businesses and enterprises by focusing on revisiting apprenticeships in the formal and informal sector (Jua-Kali as popularly known in East Africa) and improving the quality of traditional apprenticeships

CROSS-CUTTING THEMES: GENDER

Agri-food systems transformation is a gender sensitive sector. AfriFood recognises that the major hindrance to agricultural development and broader growth is a wide and pervasive gender gap in agricultural productivity. Women comprise nearly half of the labour force in Africa's agriculture sector, and more than half in several countries, but on the whole they produce less per hectare than men. Existing evidence from small-scale studies across the continent documents the numerous disadvantages that women face in accessing the same resources, training, markets and opportunities as men. They also face ingrained norms and institutional barriers that further widen the gap. Tackling the barriers that hold back the productivity of female farmers could both enhance gender equality and usher in broader economic growth.

Investing in women farmers and instituting policies that close this gender gap in African agriculture could yield enormous benefits for women and their families, communities and countries. Closing the gap may also benefit Africa's next generation. When a woman gains more control over her income, she gains more say over important decisions that affect her family, especially her children. Families in which women influence economic decisions allocate more income to food, health, education and children's nutrition. Improving gender equality through agriculture could therefore translate into a generation of Africans who are better fed, better educated and better equipped to make productive contributions to their economies, within agriculture and beyond.

AfriFood in all respects shall pursue a gender responsive approach and intervention in all the strategic thematic areas and in its operations regionally and within countries. All programs will pay a close attention to gender considerations.

PARTNERSHIPS FOR IMPACT

AfriFood recognises that agrifood systems transformation is complex a journey that no single institution can deliver singularly. As such, a strong and enhanced partnerships at various levels including community level partnerships, national and regional level as well as international level provides opportunity to leverage resources, expertise, goodwill and commitment that are critical for enhancing impact of interventions. AfriFood shall investment in developing functional partnerships with stakeholders with similar interests.

COMMUNICATION, NETWORKING AND ADVOCACY

AfriFood acknowledges the role effective communication to various actors and stakeholders in the agrifood systems. AfriFood will invest in supporting communication efforts to share information, knowledge and products emerging from the intervention efforts. AfriFood will work with diverse actors including mainstream media, social actors and traditional systems to enable the communication materials and information reach a wider audience. Engagement and dialogue with policy and decision leaders will also forma core part of AfriFood's communication, networking and advocacy towards agrifood systems transformation.

KNOWLEDGE MANAGEMENT

AfriFood shall develop data curation, management and analysis systems and protocols that will curate, facilitate analysis and ease of retrieval as well as transmission to various actors that need it. Through this, AfriFood shall make available relevant data to actors through a rational, accessible and legally acceptable forms. AfriFood shall abide with the international established rules for data access such as the European laws as well as national established rules.

MONITORING EVALUATION AND LEARNING

The Institute continues to monitor its research perfor- mance and impact and works to develop better tools to measure the pay-offs of policy-oriented social science research. Overseen by an external impact assessment coordinator, IFPRI conducts integrated assessments of past research and works with projects from the initiation stage to develop an evidence base to determine how the Institute's work influences country-level and international policy-making processes.



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