



African Union



NEPAD

A PROGRAMME OF THE AFRICAN UNION

NEPAD Planning and
Coordinating Agency (NPCA)

CAADP - Sustaining the momentum into the next decade

January 2013

NEPAD Planning and Coordinating Agency (NEPAD Agency)

Introduction

1. As CAADP nears a decade of implementation, the African Union Commission and NEPAD Agency commissioned this exercise to examine the drivers which impact on the implementation of CAADP and its capacity to deliver results and impact. The intention is also to look at the implications of global developments that impact - positively and negatively - on Africa's potential. The purpose is to develop a bold agenda that builds on the achievements so far and the lessons learned to ratchet up performance to deliver more certain and substantial results. Agriculture and the food industry are expected to contribute to: wealth creation and economic growth; job creation and increasing opportunities, especially for women and for youth; poverty reduction; food security and improved nutrition; and resilient societies and economies. The exercise was undertaken in a manner consistent with the CAADP principles of local ownership, collective responsibility and mutual accountability. An inclusive and participatory approach was adopted.

Background

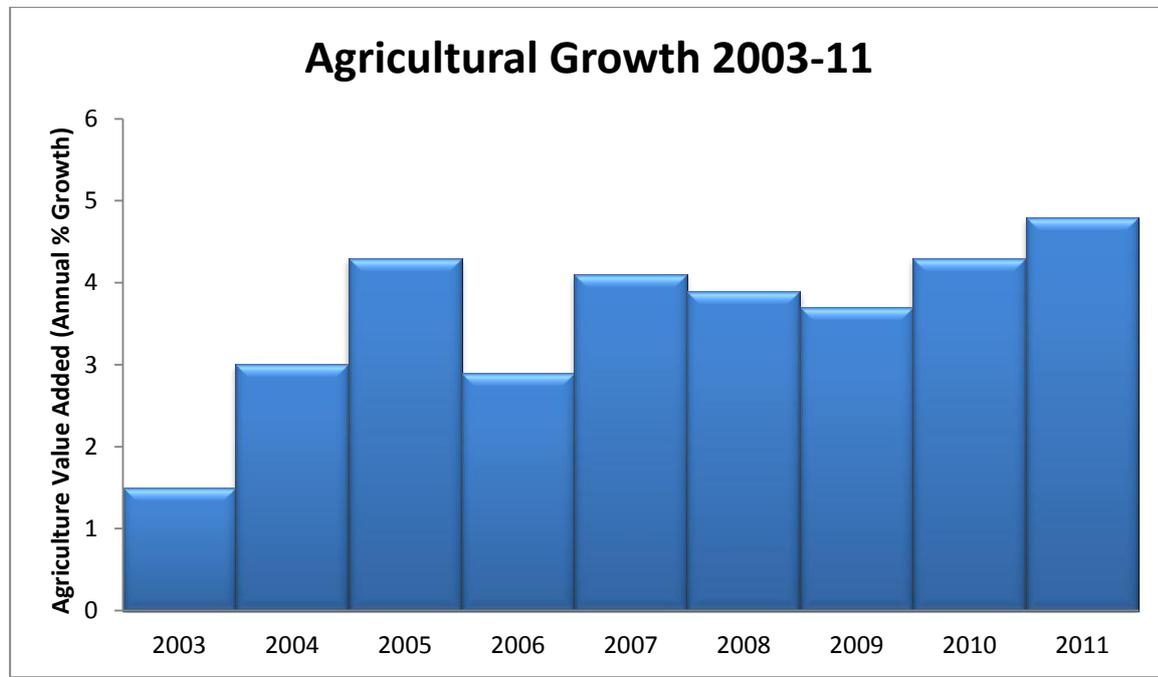
2. CAADP was established in 2003 against the background of nearly forty years of economic stagnation and food crises in the Horn of Africa, and in Southern and Central Africa. African leaders committed themselves to finding sustainable solutions to hunger and poverty, believing that agriculture would provide the engine for growth and play a primary role in poverty eradication and in the restoration of human dignity. To achieve this agricultural renewal, CAADP's mandate was to forge new partnerships based on African ownership with its traditional partners. More importantly, NEPAD and CAADP put at the heart of their vision the encouragement of Africans to utilise their own strengths, abilities, resources and political leadership to generate development and growth in their own countries and on the continent.
3. CAADP's core functions are:
 - Strengthening country-led policy processes for better investment programmes;
 - Mobilising partnerships for investment at the national, regional and international levels, and from both private and public sources;
 - Evaluating commitments and strengthening systems and mechanisms for accountability;
 - Advocating the restoration of African agriculture as a major development driver;
 - Harnessing African strategic thinking, positions and scenarios for the future.
4. CAADP's core principles are:
 - African ownership;

- Build partnerships and alliances between government, the private sector, development partners and farmers to better address the cross-cutting needs of the agriculture sector;
 - Promote dialogue, peer-review and mutual accountability to develop a sense of collective responsibility;
 - Exploitation of regional complementarities and cooperation for common and mutual needs.
5. In 2012, following an unprecedented decade of impressive economic growth across the continent, of improved governance, and of improvement in human development indicators, Africa still faces major challenges. Africa is the world's most food insecure continent, with relatively low levels of agricultural productivity, low rural incomes, high rates of malnutrition, and a significantly worsening food trade balance. Yet Africa has land, water and human resources to become the breadbasket for the world, and to contribute to the growing global demand for both food staples and higher value added food, as well as to energy markets.
 6. The Maputo Declaration remains as relevant today as it was in 2003. Agriculture accounts for about 40% of GDP, 15% of exports, and 60-80% of Africa's employment. Performance in agriculture will be fundamental in achieving the transformation of societies and economies that Africa still needs. Radical improvements in agricultural policy and practice are needed along with substantially higher private and public investment, and more efficient public investment.

CAADP Performance

7. As at June 2012 over 40 countries had formally launched CAADP implementation. 30 had moved further and signed national CAADP compacts and, of these, 23 had completed CAADP National Agriculture and Food Security Investment Plans that had been reviewed by NPCA organised independent expert panels. All the countries with Investment Plans have held Business Meetings where key stakeholders have expressed commitments to align and reform policies and to contribute to implementation and financing.
8. Countries have used CAADP as a critical rallying point in mobilising a common vision and collective energy to define and support an African agenda on agriculture and agriculture led development. CAADP has improved coordination and facilitated engagement by government ministries, civil society and business on agricultural strategy and implementation. It has facilitated peer review and peer learning. Policy space has been opened up to a broad range of participants. CAADP is also providing valuable mechanisms for engagement with the international community. CAADP has strengthened, deepened and supported the role of Regional Economic Communities (RECs), and the role of RECs has been vital in supporting CAADP implementation.

9. Since 2003, many governments have increased their budgetary allocations, although, only a few have met the 10% budget target: as at 2010, 8 countries had reached or surpassed the 10% target, while 9 were in the 5% - 10% range. And since 2003, average agricultural growth rates across the continent have exceeded 3.6% and more recently, in the last five year period 2007-11, they exceeded 4% according to the World Bank¹.



10. CAADP is increasingly understood to require a 'multi-sectoral' approach and the CAADP framework and processes which have been developed will enable 'multi-sectoralism' to be applied to agricultural and food issues, opportunities and challenges. CAADP has made a modest start in securing coordination with ministries of trade, works and communication, water, and power as well as ministries of education and health.
11. CAADP has enabled countries with solid public investment plans to gain external financial resources, including from the Global Agriculture and Food Security Programme (GAFSP), which provides programmatic support for investment, and from conventional multilateral and bilateral sources. However, in many cases external financial resources have not been forthcoming in the volumes needed to
12. back the ambitious public investment plans.
13. CAADP has also provided a framework for countries to start a deeper dialogue with private investors, domestic and foreign. The improved planning and management of public resources combined with sound macroeconomic management and much

¹ World Bank WDI and GDF 2010, figures for Sub Saharan Africa (Developing only).

improved governance is significantly improving the prospects for mobilising more and better quality investment.

Lessons for moving forward in a changing world

14. A decade of CAADP has laid firm foundations for now accelerating implementation and investment into African agriculture. However, there are some key lessons, key issues, and game-changing developments that have to be taken into consideration in order for CAADP and Africa to ramp up agricultural development in the future. In 2012 Africa faces an entirely new context for agriculture, for scientific, technical, and social policy.
15. From 1980-2005 agricultural production globally expanded by 2.2% a year, while population growth was 1.7% a year, and thus prices fell dramatically (although food production per capita fell in Sub Sahara Africa). On a global scale, food prices in constant dollars declined from the mid-70s to mid-90s by over 250%. However, in 2008 things changed. There were short-term explanations: there were low stock levels; there was drought in some countries; export controls were applied; and agricultural financial derivatives played a key role. But there were also long term explanations: rising global population and incomes lead to rising and changing consumption, with increasing consumption of fish, meat and dairy in particular (the world needs an annual increase of 1.5% of feed grains just to meet the demand for livestock products); and world population growth now exceeds food production growth (in 1960-80 cereal yield increases were 3%-6%, they are now 1%-2%). There will be 2.4 billion more people to feed in the world by 2050, and there will be 1.2 billion more African citizens. The population of 30 African countries will more than double by 2030.²
16. Also, a new connection between food and fuel prices is complicating the design of appropriate food policies. Food can now be converted into fuel³. Corn, soybean and sugar prices have been pushed up by the US and Brazil. High energy prices also mean high prices for fertilizer and high transport costs.
17. These changed circumstances have impacted on food prices since 2008 and currently prices are again very high by historic standards as a result of similar mix of short term and long term factors.
18. The demand for bio-fuels and food have the potential to raise the price of basic agricultural commodities. Two scenarios are possible in Africa:

² Source: African Agriculture - From Meeting Needs To Creating Wealth, Mo Ibrahim Foundation, 2011

³ Global production of ethanol had more than tripled by 2010 and it is estimated that biofuels production will require 35 million hectares of land by 2030. Source: Ibid.

- The demand spells impoverishment for much of the population because of the resulting high food prices, or
- The demand spells dynamism for rural economies and the eventual end to rural poverty

If only large farms reap the benefits of higher grain prices a downward spiral could start for the small farmers and the poor

19. A further dimension to the changed opportunities for Africa is a global recognition that land is a scarce resource. Water is also becoming increasingly scarce around the world because of heightened competition from urban consumers and industry. The fact that Africa has significant land and water resources has meant that it has become a target for foreign investors who see significant long term potential. (16% of Africa's land is arable, the largest share in the world, and 79% of Africa's arable land reportedly remains uncultivated⁴.) 60 million hectares of land was purchased or leased in Africa in 2009⁵.
20. Another factor is the evolving power of the non-state actors in general, and specifically civil society organisations and farmer organisations. Any strategy going forward will need to reflect the knowledge and implementation capacity of those institutions. CAADP has begun to be seen as a shared responsibility between state and non-state institutions and players.
21. What has remained unchanged is the playing field for trade, which is still not level. It is estimated that industrialized countries spend \$300bn on agricultural subsidies, making it difficult for farming in developing countries to compete.
22. Much of Africa's recent growth has come from metals, minerals and energy and this means that there has been little impact on employment: only agriculture and the food industry offer the prospect of increasing employment and incomes rapidly for the majority of the population.
23. CAADP has focussed on strengthening country level planning, with demonstrable impact on the quality of investment plans and processes. Rigorous and deliberate attention to policy and institutional strengthening aspects has been, in most cases, minimal. Yet investment plans need an appropriate and enabling policy environment and a supportive institutional environment to deliver results and sustain impact.

⁴ ibid

⁵ ibid

A strategy for transformation

24. It is now clearer that CAADP must be an agenda for transformation. Transforming African agriculture will, by the same fact, transform Africa's economy and society. In the next decade there are greater chances of success because the development process in Africa is being led more effectively and visibly by African governments, stakeholders and citizens.
25. Change and transformation in agriculture must start from within the continent and its people. It has to start with smallholder farmers, households and communities because they constitute the overwhelming majority of society. Smallholders represent the major potential source of growth in the sector: they have a proven track record of responding to policy and market opportunities. They could do so much more with supportive policies. The implementation of the CAADP framework is beginning to empower them and provide them with 'voice' but has further to go.
26. Africa needs a 'food sovereignty strategy', not just a food security strategy. This is because the global food markets can no longer guarantee the availability of food at affordable prices to importing countries and regions (over two-thirds of African countries are currently net importers, and the continent imports about 28% of its calorie requirements). A food sovereignty strategy requires governments and regions to craft a combination of inter-locking policies and strategies that include; local production; storage and food reserves; trade; and risk management tools including safety nets. Because hunger is caused mainly by poverty, the medium to long-term solution to food insecurity is wealth creation.
27. Africa is urbanizing rapidly and its urban population is expected to reach 50% by 2035, with consequences in terms of increased demand for food, including from an emerging middle class. Just 18 African cities could have a combined spending power of \$1.3trillion by 2030.⁶ The implications include the need for capacity for food manufacturing and adding value as the urban markets grow. For Africa's youth there will be opportunities in processing, manufacturing, packaging and distribution, as well as primary production.
28. The rapid acquisition of land, water, forest and mineral resources by foreign investors is challenging. Africa needs to develop enforceable policies and guidelines that promote responsible and inclusive development. Such policies and guidelines could start with the need for constitutional provision in every nation for the recognition and enforcement of land and resource rights of citizens, especially those holding such rights through customary heritage: more than 90% of African land remains outside the formal legal

⁶ Ibid.

system⁷. As for large-scale land deals, African governments could hold each other accountable for these transactions through peer review mechanisms. In addition, every African government could provide public access to the process and outcomes and documents on large-scale land transactions.

29. Africa needs to develop a vision and a master plan over the next three years to position itself as the new breadbasket for the world. The plan should lay out the transition from a resource based economy dependent on processed imports to an innovative economy providing considerable value added where Africans better utilise their natural resources to leverage from the rest of the world the know-how, technology and capital to develop and modernise agriculture and the broader economy.
30. Africa has to accelerate its adoption of climate-smart agriculture in terms of addressing the impact of climate change today and also into the future. Africa is by nature an 'organic farm' and therefore has potential for producing organics at low cost. In addition, by producing in ways that reduce carbon emissions and that sink carbon Africa will be a more attractive future society and destination for global capital.
31. The emphasis now on results and impact requires African countries not only to implement investment plans but also go beyond them. By essentially confining itself to public investment planning over the past half-decade the CAADP process has created a financial dependency to which only donors could respond but to which, in the event, they were unable to respond. African financial institutions were poorly involved.
32. African countries need to regain leadership, and policy and institutional change should become the cornerstones for a re-appropriation of agricultural development by countries and RECs. The new thrust for CAADP should not lead countries to repeat planning processes but to focus on programme implementation, institutional strengthening, the design and negotiation of policy, and leadership for agricultural transformation.

Outcomes sought from CAADP in the next decade

33. To increase output and productivity Africa needs to continue to focus on increasing the volume and quality of public investment in rural infrastructure, including irrigation, and other services for farmers, research and advisory services in particular. The 10% target serves a purpose in focusing on investment volumes and is helpful for that reason. The 6% growth target remains a realistic aspiration and should remain a primary focus for CAADP. However, CAADP needs to give much more emphasis to farming as a private business. Every farmer is a businesswoman or businessman and needs a supportive business environment in which to conduct the business. Farmers' own investment - that

⁷ Ibid.

is, domestic private investment - is significantly more important than public investment or foreign investment for the future growth of the sector.

Increased Productivity

34. CAADP needs to focus on labour productivity, land productivity, water productivity, and the contribution of new technologies. In the past too much of Africa's output growth has come from expanding the area under production and this process is unsustainable and does not generate sufficiently high returns to farmers.
35. There is a need to identify the constraints to growth and to productivity increases, and develop growth and productivity targets for different major farming systems and regions in Africa. In most cases, the technological and scientific constraints are well understood: what are less well analysed are the business constraints, the nature of the vested interests and rent-seeking behaviours.
36. Diversification beyond cereals is needed in Africa, not only to raise productivity but also to meet changing global and continental demands for food, and at the same time to provide the jobs needed and the opportunities for youth. Export markets provide a major opportunity for improving value added and incomes.
37. Women contribute the largest major part of the labour used to produce food for household consumption and for sale: it is estimated that they grow 80% - 90% of the food in sub-Saharan Africa but own less than 2% of the land⁸. Enhancing opportunities for women must be about enhancing their agricultural productivity and their potential to increase agricultural production. Priority interventions must address women's access to knowledge and information, their skills, and their access to land and finance.
38. Africa leads the world in population growth and will have the largest working age population in the world by 2040. 60% of Africa's population comprises young people aged between 15 and 24, and 70% of Africa's youth live in rural areas. The rate of youth inactivity in North Africa is 62%, and 42% in sub-Saharan Africa. It is imperative to devote more effort to workforce development to spark the agri-business revolution on the continent, including skills for processing, packaging, logistics and distribution, marketing, and food safety. The average age of the African farmer is 60 years according to the FAO. This brings with it challenges such as the drive to embrace new technologies.

Increased Competitiveness

39. At its heart, successful commercialisation of farming depends on well-functioning markets. Africa needs to strengthen its competitiveness globally through the better

⁸ Ibid.

functioning of agricultural input markets (finance, labour, land, seeds, fertilizer, pesticides, herbicides, energy, water) and better functioning of output markets (transport and logistics, storage⁹, trading, processing and packaging, wholesale and retail sector). Many of the most important blockages and constraints to a rapid increase in agricultural performance lie in these markets. There should be a programme compare the performance of these markets: it should develop scorecards to benchmark and peer review performance. Measures should be taken to achieve faster integration of these markets across the continent, within and across RECs. African should join the rest of the world in providing positive incentives for agriculture.

40. Making the markets work for agriculture will require an integrated and comprehensive across the efforts of both state and non-state institutions. Within the state institutions, clear leadership at policy level across the various Ministries will be essential. Making the markets work will a complete change in the mind-set and in the policies on agriculture. It will require an understanding of the dynamism of farmers and the drivers that motivate them. CAADP has been actively seeking out the authentic voices of farmers and agricultural businesses and must continue to promote their 'voice'. Policy must address the needs of ordinary people and the problems that they experience every day.

Regional and global integration

41. Africa requires a more deliberate and effective approach to its regional and global integration. Africa has many small and fragile economies and there is considerable potential to gain from trans-boundary markets: the potential both for growth and to increase security and stability. The fact that African political and economic governance approaches are increasingly converging and integrating implies greater potential for regionalism and for strengthening Africa's capacity to address negative global trends as well as reap positive dividends from global opportunities. Africa will be more resilient to cope with external and internal shocks if it provides a consolidated continental market. The development of regional markets must be a building block in pursuit of this objective.
42. Africa remains the only region of the world that is dependent on aid to finance a significant proportion of its public agricultural investment and that is dependent on food aid in order to feed its poor. Africa has to resolve this unacceptable predicament. Regional integration, both intra-regional and inter-regional, and global integration will play a major role in achieving this goal.
43. Africa needs to focus more on the blockages and vested interests that block progress and bolster protectionist instincts and policies. Political economy analysis should assist in

⁹ In sub-Saharan Africa 25% of food cereal harvests are lost post-harvest. Post-harvest grain losses could total \$4billion a year. Source: Ibid.

crafting policy options that are both technically desirable and practically viable in the real world.

44. Africa has made progress in forging regional research and knowledge sharing programmes and they should be scaled up and integrated into policy debates. They should also be strengthened through stronger social and economic analysis, complementing physical science approaches.
45. Africa's policies on global integration are much less developed than those for regional integration and urgent progress is needed to protect and promote the interests of the whole community. Africa is facing fiercely growing competition for its resources from many different parts of the world. Africa needs to equip itself to assert its interests first and foremost, and have a strategy for using foreign investment to create African wealth and employment and income, and create food security for the continent. Foreign investment should leverage the acquisition of knowledge, know-how and technology to add value and improve market access. Investors should build forward, backward and horizontal linkages. The sale of assets must contribute to wealth creation, not unsustainable consumption. Africa should not be granting special deals for foreign investors that are not available to domestic investors: a level playing field is required, and full transparency is the only way to permit proper accountability for the stewardship of national resources.
46. Africa needs to proactively seek to learn from the experience of other continents and regions. For example, China and Brazil have provided more predictable overarching enabling environments, with stronger records of innovative public sector implementation. They have offered greater openness to technologies and practices from abroad, in both the public and private sectors.

Strategic thrusts

47. The three themes above together represent a substantial step-change for CAADP to embrace and operationalise. But the structure and institutions and practices of CAADP are both strong and flexible and it will be possible to integrate these themes and objectives within country processes. Country 'Investment Plans' and the processes underpinning them can be adapted to become 'Implementation and Investment Plans'. Similarly, the REC's plans can be expanded, and their country implementation support work can be developed to address these themes. In addition, at the continental level, the NEPAD AGENCY and AUC are well placed to lead and support this more ambitious agenda.
48. In moving forward it will be helpful to continue to seek support from traditional partners as well as to look to new public and private partners who can bring new perspectives and tap into new knowledge networks and new sources of finance. Africa-

based financial institutions (AfDB, regional development banks, and private equity and investment banking institutions) should also be expected to play a prominent role.

Institutions, policy and leadership

49. In order to deliver results we need to strengthen our institutions by rebuilding a culture of getting things done and a culture of solving problems as they arise. Institutional effectiveness, like policy effectiveness, will result from learning by doing, i.e. a commitment to action and implementation, accompanied by a commitment to learning from experience and ploughing back these lessons into upgrading systems and procedures. There is a need for capacity to design effective policies, strategies and programmes, and to implement them, and a need to build further the capacity for self-assessment and self-correction.
50. CAADP will need to adopt ways of supporting governments to decentralize and empower local communities. The voice and energy in local community-level networks and institutions will be central in advancing a reform agenda in African agriculture. The vision is about governments helping farmers to help themselves. Local authorities and communities need to acquire the capacity to self-mobilise, self-assess, and engage outsiders. Central government is best suited to facilitate and support this, not to substitute for that role and capacity.
51. In strengthening capacity for sustaining CAADP into the next decade, an implementation capacity development programme should be established.

Box 1

Proposed CAADP Implementation Capacity Development Programme

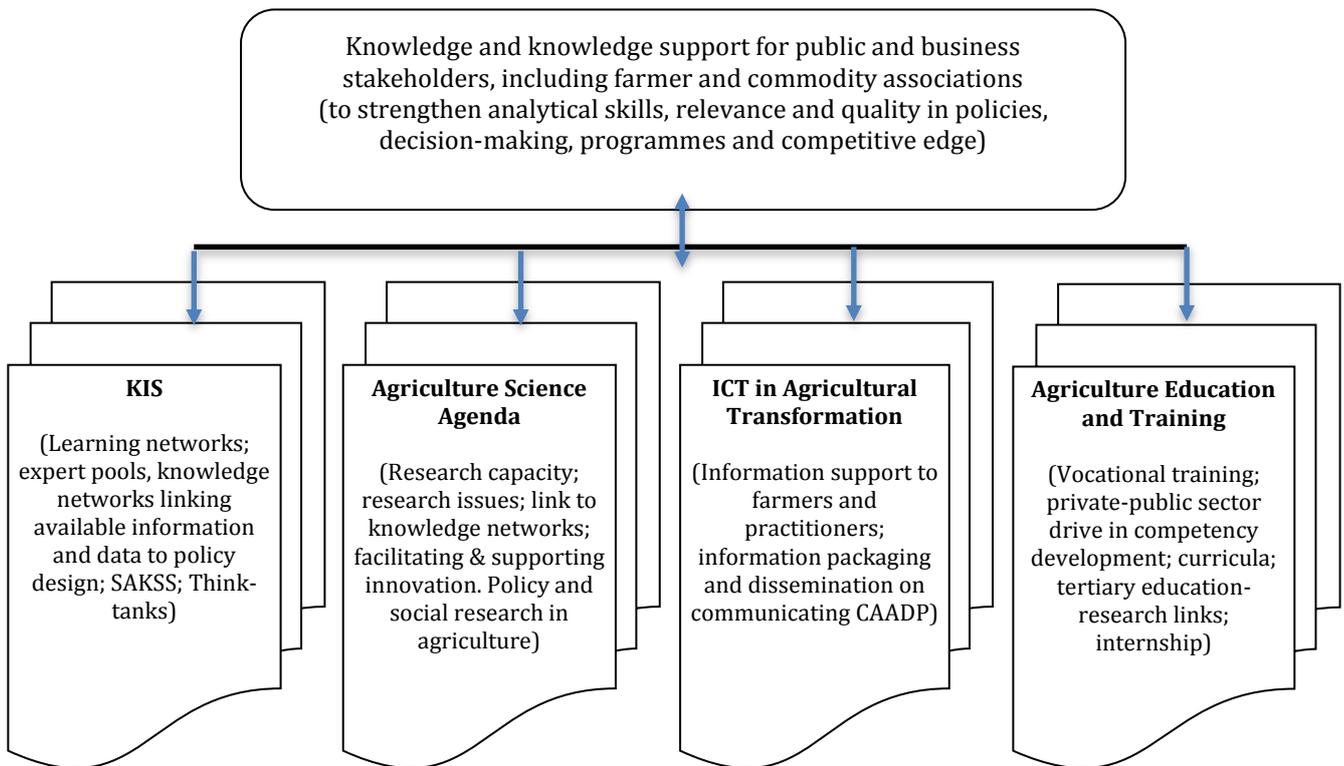
- *Reasserting ownership and leadership*
 - *Strengthening mutual accountability*
 - *Higher level evidence based strategy and re-positioning*
 - *Translating political commitment into action*
 - *Ministers and Permanent Secretaries as champions of change*
 - *Nurture leadership capacities at regional, national and sub-national levels*
- *Strengthening Implementation Capacity*
 - *Strengthening organisations*
 - *Engagement with decentralized systems*
 - *Leveraging business sector implementation capacity*
 - *Managing inter-sectoral and inter-ministerial collaboration and partnerships*
 - *Strengthened capacity for designing and implementing policy*
 - *Increased dialogue between government and private sector to develop a shared vision of economic development strategy and remove constraints to private sector development*
- *Strengthening policy processes*
 - *Comprehensiveness, participation and transparency*
 - *Evidence-base and analytical capacity*
 - *Coordination, harmonization at national and regional level*
 - *Guidance for policy design and assessment*

- *Strengthening continental and regional platforms and institutions*
 - *Continental and regional ministers' conferences to provide more effective leadership for transformation*
 - *Strengthening regional organisations including regional economic communities*
 - *Strengthening AU continental organisations*

Knowledge and knowledge support

52. CAADP places a high premium on information and knowledge. Africa needs robust capacity and institutions to facilitate the construction of platforms, networks and communities of practice to increase available knowledge and information as well as to stimulate co-creation and learning. Knowledge strategies need to embrace building citizen 'voice' as an integral part of building social capital, local ownership and responsibility for continent's agricultural development agenda.
53. CAADP should stimulate increased investment in knowledge infrastructure that includes: an education system - including technical and vocational education - designed to produce a large workforce in science, technology and engineering; an R & D system; a strong intellectual property regime; a technology transfer system; and a critical mass of innovative firms and entrepreneurs. CAADP should mobilise Diaspora knowledge support for agriculture. And CAADP knowledge work should include a component on the use of ICT to support farmers and practitioners.
54. To ensure demand-driven knowledge support systems and capacity, the AUC and NEPAD Agency have over the last year led work on practical strategies and operational arrangements for Knowledge, Information and Skills (KIS) support within the country and regional CAADP implementation processes. At the core of an effective knowledge system is quality data and information as well as the capacity and systems for analysis. This is the reason why the national Strategic Analysis and Support Systems (SAKSS) initiative is critical and needs financial and technical support. SAKSS should be extended to capture data on the business environment for farming and on input and output market performance, as well as the political economy of agriculture. CAADP needs to develop a robust communication strategy to explain what CAADP represents and demonstrate what it can deliver.
55. In an unstable and unpredictable global economy, we are going to need to be agile to exploit the new opportunities that arise, and to protect ourselves from new risks. We should develop capacity for long term strategising and scenario planning.

The primary thrust and focus in addressing the knowledge and knowledge support systems along the CAADP agenda over the next decade.



Financing for agriculture

56. Africa’s agricultural sector needs stronger financial markets: broader, reaching more customers; deeper, offering more products. The role of financing for farmers, and especially for smallholders and family farms, has not been given the attention it deserves by CAADP so far. There is a need for ambitious innovation, and for scaling up successful business models. These include micro-finance, phone banking and guarantee schemes. The supply of financial services to the sector is inadequate with, on average, only 5 percent of domestic resources being allocated to the agricultural sector. CAADP should work with Making Finance Work for Africa (MFW4A) and the African Rural and Agricultural Credit Association (AFRACA) to catalyse private funding for the sector. Catalytic financing should be sought to unlock greater volumes of ‘patient’ money from commercial banks into various parts of the value chain. A starting point would be to collect existing market information and build capacity to respond to gaps and hindrances.

57. Africa should seek to increase foreign investment too, although domestic investment will always be far more important. Foreign private investment in farming and agribusiness can make a distinctive contribution to the sector and its growth potential.

Seeking out investment from around the world can position the continent to benefit from globalization. However, Africa needs strategies to ensure that such investment delivers the benefits that it seeks: benefits in terms of jobs and opportunities for the workforce; the acquisition of expertise, skills and technologies; access to untapped markets; backward, forward, and horizontal integration to increase national value added and diversify the economy. At the same time, there is a need to protect the interests of the local population and the environment.

58. Foreign aid has been important to the sector and, the financial crisis in N America and Europe notwithstanding, will probably remain important over the next decade. However, Africa must be realistic about future aid volumes, and must be wary of the implicit and explicit priorities that donors deploy in respect of aid. Their use of particular instruments (especially food aid imported from outside the continent) can undermine long run market development, and the costs to Africa of the policies that donors deploy with respect to their own agriculture (especially their subsidies of exports, and their policies that depress world market prices) can undermine Africa's own industry. Africa needs to be alert to these paradoxes. As aid flows reduce both relative to other financial flows and, probably, in absolute terms Africa should look to donors to use their resources catalytically and innovatively, e.g. through Public-Private Partnerships especially in field such as technology adoption. CAADP has somewhat reduced the transaction costs of dealing with donors but transaction costs remain a burden on fragile institutional capacity and donors will need to work hard to demonstrate their value added.

Box 3

CAADP objectives for agricultural financing

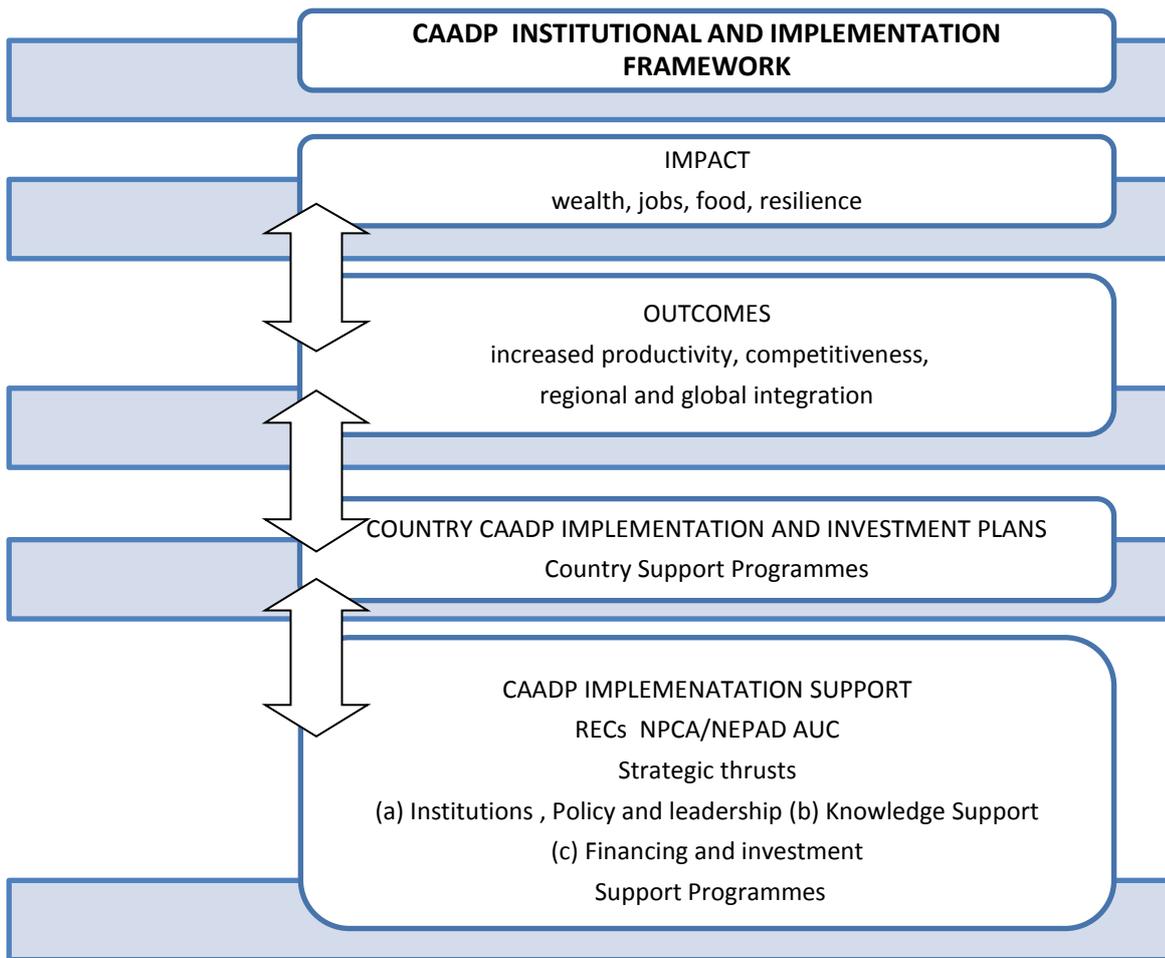
- *Promote broader, deeper, and stronger domestic financial markets*
 - *Promote innovation and replication of successful models*
 - *Provide information for market development*
- *Mobilize greater volumes and higher quality, coordinated public investment in support of rural development and agriculture:*
 - *Leverage the power of public finance to attract private financing*
 - *Strengthen management competencies and systems in the public sector to make them better partners in working with business communities.*
- *Attract high quality foreign investment and build capacity for undertaking investment analysis:*
 - *Improve social responsibility, and environmental sustainability*
 - *Improve alignment with domestic growth and jobs agenda*
 - *Improve transfer of skills and technology*
 - *Strengthen chambers of commerce, trade and professional associations, and regional networks to provide market information and training for their members, in order to promote exports and investment.*

- *Improve ODA financing, and adjust to the changing global financial health*
 - *Use ODA to leverage long term, sustainable financing systems, and reduce dependence.*
 - *Improve development effectiveness and accountability, reduce development paradoxes*
 - *Invest in resilience to reduce food aid*

- *Understand better the potential for generating investment resources for the sector from diverse local sources*

CAADP Country Implementation

59. The renewed country CAADP implementation process distinguishes three key results streams, namely:
- a. Improved planning processes and quality of investment plans;
 - b. Strengthened and aligned policies and policy design processes to stimulate and support agriculture development; and
 - c. Strengthened and aligned institutional capacity and ability to execute programmes and policies and competitively deliver results and impact.
60. A particular emphasis was given in the past to supporting the development of capacity for evidence-based planning, including strategic thinking, evaluation and accountability. This foundation needs to be consolidated and in particular extended to embrace a more robust approach to policy development and a more structured approach to institution building. The policies and institutions that Africa needs today are yet to be forged from its 20th century inheritance. In both these domains, CAADP must expect to lead the way.
61. The country process is the heart or core of CAADP: it 'grounds' the CAADP vision, values and principles in countries' own processes and systems to attain outcomes. CAADP country implementation works through: a) engagement with stakeholders to arrive at a common understanding of agricultural opportunities; b) evidence based analysis to deepen common understanding of priorities and problems; c) development of policies and investment programmes, institutions and partnership alliances; d) learning from process and practice; e) adapting and re-planning: reassessing priorities and programmes.
62. Within countries, the role and power of local communities as drivers of agriculture needs to be appreciated. Local economic development requires empowering local businesses and individuals with tools for doing their business effectively; it requires supporting them in growing small/medium sized businesses; it needs capacity for resolving disputes and enforcing agreements. Opening up the policy space so that communities can influence laws and regulations that affect their livelihoods is also important.



Implementation Support

63. A strong framework for support of CAADP at country level has been developed, and the chart above shows the current structure matched to the proposed priorities for sustaining the momentum. The first line of support for individual countries is from their Regional Economic Communities (RECs), and in turn, the RECs can look to THE NEPAD AGENCY for technical support, and to the AUC for advice and political support and to draw on their convening power. Individual countries can also approach the NEPAD AGENCY and AUC directly. The RECs, NEPAD AGENCY and AUC meet to coordinate and plan on a regular basis, and some important support to them has been made available through the CAADP Multi-Donor Trust Fund, among other donor programmes. A Partnership Platform, comprising representatives from individual country governments, from the private sector and from CSOs, from RECs, from donors, and from the continental institutions meets twice a year, once primarily as a learning and peer review event, and once primarily as a 'business meeting'.

Enhancing performance and impact

64. A Results Framework will be developed to promote a common and systematic approach to the identification, design, and monitoring and evaluation of learning for capacity development. Indicators will be developed as to: a) track progress and, when necessary, adjust program for improved adaptive management; b) assess program results achieved, as well as results-orientation of program design and actual implementation; c) communicate meaningful results to CAADP's diverse stakeholders; d) compare programs and determine what does and does not work to advance practice.

Conclusion

65. Never have the opportunities for African agriculture looked brighter but never have the risks looked more serious. There are reasons to be optimistic about the potential to secure the results Africa seeks: increased wealth, more jobs, higher exports and reduced imports of food, and improved food security and stronger resilience. All Africans should be agro-optimists. But to achieve these results requires a changed mindset and changed behaviour, putting the African farmer at the centre of policy and programmes. First and foremost it is important to recognise that farming is a business and that it needs a supportive business environment and supportive input and output markets. Securing these improvements is something that only Africans can do. CAADP provides a vehicle to get the necessary focus, to get the delivery, and to learn together.
66. The change Africa needs must be driven at country level by a broad range of players, including farmers, industrialists, NGOs, think-tanks and academics, the media, business associations, traders, and distributors, as well as by government. Change will happen through the development of new partnerships, coalitions, and alliances. Solutions will be unique to each economic, social and political setting but in every case the challenge will be the same: to find the political space and to find the entry points for securing change.
67. The capacity to deliver better policies, institutions and investments will be realised only if we build a stronger culture of accountability and stronger accountability mechanisms. We need stronger capacity to reflect and learn as we proceed and to rejuvenate ourselves: we need an action learning cycle.