



Leadership 4 Agriculture FORUM

From Policy to Action

INTERIM REPORT

African Development Bank Annual Meeting

May 21, 2018 in Busan, South Korea

African Green Revolution Forum 2018

September 6, 2018 in Kigali, Rwanda



IN COLLABORATION WITH



The
**ROCKEFELLER
FOUNDATION**



AFRICAN DEVELOPMENT BANK GROUP
GROUPE DE LA BANQUE AFRICAINE
DE DEVELOPPEMENT

Overview

The **Leadership for Agriculture (L4Ag)** is an African ministerial-level peer-to-peer network that promotes strategic engagement and policy action among African Ministers, private sector and other stakeholders to increase commitment to investing in agriculture and boosting agricultural productivity. Hosted by the African Development Bank, the network brings together Ministers of Finance and Agriculture and private sector with the goal of spurring agricultural sector growth, economic development, and employment, especially among youth.

The L4Ag platform promotes dialogue, advocacy and policy formulation to tackle emerging challenges to developing Africa's agriculture sector and agribusiness. The Bank's Agriculture and Agro-Industry Department hosted the 2017 L4Ag Forum on November 28, 2017 at the AfDB headquarters in Abidjan, Cote d'Ivoire, where more than 150 African Finance and Agriculture Ministers and private sector leaders gathered to advocate for increased support and investments for policy reforms that fuel agribusiness growth in their respective countries. The invitation-only forum was facilitated with financial support from the Rockefeller Foundation and technical support from the Initiative for Global Development (IGD) and Grow Africa.

This **Leadership4Agriculture Forum Interim Report** builds on the 2017 L4Ag Forum Report and features highlights from two High-Level L4Ag Panel Sessions at the AfDB's Annual Meetings on May 21, 2018 in Busan, South Korea, and the Alliance for a Green Revolution in Africa (AGRA) Forum (AGRF) on September 6, 2018 in Kigali, Rwanda.





MAY 21, 2018 | BUSAN, SOUTH KOREA

From Corn to Cornflakes: Promoting Agro-Industrialization through Crop Processing Zones

MODERATOR:

Mr. Ibrahima Cheikh Diong | *Founder and Chief Executive Officer | Africa Consulting and Trading (ACT)*

OPENING REMARKS:

Mr. Mamadou Biteye | *Managing Director, Africa Regional Office | The Rockefeller Foundation*

Dr. Akinwumi Adesina | *President & CEO | African Development Bank*

PANELISTS:

Hon. Matias Kasajja | *Ministers of Finance | Uganda*

Hon. Dr. Uzziel Ndagijimana | *Ministers of Finance | Rwanda*

Hon. Chief Auduh Ogbeh | *Minister for Agriculture | Nigeria*

Dr. Lindiwe Sibanda | *Vice-President for Partnerships | Alliance for a Green Revolution*

Dr. Carlos Mucavele | *Technical Advisor to Minister of Agriculture and Food Security | Republic of Mozambique*

Dr. Mima Nedelcovych | *President & CEO | Initiative for Global Development (IGD)*

Overview

The African Development Bank (AfDB) and the Rockefeller Foundation hosted a high-level panel discussion on Leadership for Agriculture (L4Ag) in Africa at the 53rd AfDB Annual Meetings on the theme, *Accelerating Agro-Industrialization in Africa*, in Busan, South Korea on May 21, 2018. More than 300 participants, including African Ministers of Finance, Governors of Central Banks and Ministers of Agriculture as well as leading business and institutional leaders, attended the panel discussion on the theme “*From Corn to Cornflakes: Promoting Agro-Industrialization through Crop Processing Zones.*” The Initiative for Global Development (IGD) facilitated the panel discussion.

As the first high-level panel of the AfDB Annual Meetings in Busan, the annual meeting attracted significant interest and sparked interesting comparisons between South Korea, which has transformed itself from a devastated, conflict-laden country to one of the world’s advanced economies within six decades, and how to harness the continent’s potential for economic prosperity.

Delivering opening remarks, Mr. Mamadou Biteye, Managing Director for Africa at the Rockefeller Foundation, briefed participants on the genesis of L4Ag Network Forum. Biteye stated that L4Ag was formed to encourage bold steps for public and private sector leaders to enhance Africa’s agricultural growth create a safe space and platform for shared learning among leaders. The L4Ag theme of “Moving from Policy to Action” aims to move the continent’s agricultural policies to actual implementation.



In his opening remarks, AfDB President Akinwumi Adesina affirmed the central role that the agriculture sector plays and will continue to play in Africa’s future. He emphasized the Bank’s commitment to the continent’s transformation through its *High 5 Agenda*: (1) Lighting up and powering Africa; (2) Feeding Africa; (3) Industrializing Africa; (4) Integrating Africa, and (5) Improving the quality of life for the people of Africa.

The AfDB president laid out three key challenges that Africa must overcome to unlock its full potential and create agricultural prosperity on the continent. Some 65 percent of the world’s arable land is in Africa. African leaders must first tackle exercising true leadership by effectively utilizing arable land, said President Adesina.

The second priority is combating malnutrition that is stunting children’s growth of approximately 54 million African children. “Stunted kids today mean stunted economies tomorrow,” he

said. The AfDB President emphasized the importance of growing the “gray matter infrastructure” by properly feeding African children with good nutrition. Dr. Adesina called on African leaders, through L4Ag, to tackle the nutrition challenge faced by African children.

The third challenge that the President posed for African leaders is to figure out how to fully utilize more than 400 million hectares of Savannas available on the continent, of which only 10 percent has been harnessed.

“But Africa has to industrialize its agriculture,” he said. “No nation has ever industrialized without a clear industrial policy, and no nation has achieved the level of economic development observed in the West and parts of Asia without a significant transformation of its agricultural sector.”



Key Takeaways

- **Transforming Agriculture into a Growth Sector.** The Ministers of Finance of Uganda Hon. Matias Kasajja and his Rwandan counterpart Dr. Uzziel Ndagijimana lauded the L4Ag Forum as very important for rallying support and sharpening the vision of Africa's agriculture. As Ministers of Finance, they are faced with many competing priorities, including health and education. The Ministers emphasized that it was critical that they consult with their agriculture counterparts to figure out ways that the sector can be transformed from a net government revenue user into net revenue generator. The future belongs to an enhanced agriculture sector that is led by Africa's enterprising youth.
- **Industrializing Agriculture Sector.** Nigeria's Minister for Agriculture Hon. Chief Auduh Ogbeh invited the participants, especially Ministers of Agriculture, to visit Nigeria and see how the country has transformed the sector, starting from when the Bank's President Adesina was the Minister of Agriculture in Nigeria. He said that Nigeria was on course in industrializing agriculture and is employing similar strategies as South Korea and others by creating industrial development zones where agricultural products are processed and value addition used to create jobs for youth and women. Ogbeh said what Korea has done is achievable and African leaders must not rest until Africa becomes the world's agricultural growth leader.
- **Creating a Competitive Market for Agriculture Producers.** To build effective agriculture processing zones, governments must put in place policies that will make the country's agriculture sector to be globally competitive. Governments must also create incentives and provide support to farmers to help boost their yields to service agro-industries. Dr. Carlos Mucavele, who is a technical advisor to Mozambique's Minister of Agriculture and Food Security, said expanding market access for farmers is critical to the success of agro-processing in Mozambique. Nedelcovych agreed, adding that countries should aim to compete in regional and global markets. "It's all about being competitive," said Nedelcovych. "It's one world, one market."
- **Improve Agricultural Productivity Through Technology.** By giving small holder farmers greater access to technology, agricultural producers can double their productivity in staple crops to improve food security. Dr. Lindiwe Sibanda, the Vice-President for Partnerships at the Alliance for a Green Revolution in Africa (AGRA) said her organization has identified key staple crops and is working closely with farmer consortia to introduce productivity technologies to reduce post-harvest loss and improve yields.



SEPTEMBER 6, 2018 | KIGALI, RWANDA

Deal-Making vs. Deal-Breaking: Using Public-Private Partnerships to Turn Policies into Action for Scaling Up Africa's Agribusiness and Agro-Industrialization

MODERATOR:

Dr. Daniel Karanja | *Vice-President for Programs and Advisory | Initiative for Global Development (IGD)*

OPENING REMARKS:

Dr. Jennifer Blanke | *Vice-President, Agriculture, Human and Social Development | African Development Bank*

Mr. Mamadou Biteye | *Managing Director | Africa Regional Office | The Rockefeller Foundation*

PANELISTS:

Amb. George William Kayonga | *Chief Executive Officer | National Agricultural Export Board | Ministry of Agriculture | Republic of Rwanda*

Hon. Higinio de Marrule | *Minister of Agriculture | Republic of Mozambique*

Hon. Audu Ogbah | *Minister of Agriculture | Federal Republic of Nigeria*

Hon. Biendi Maganga | Minister of Agriculture | Gabon

Ms. Tei Mukunya | CEO | Azuri Health, Kenya

Mr. Robert Coleman | Rice Farming General Manager, Nigeria | Dangote Group

Dr. Edward Mabaya | Manager of Agribusiness | African Development Bank

WRAP-UP AND CONCLUDING REMARKS:

Dr. Martin Fregene | Director, Agriculture and Agro-Industry | African Development Bank

Dr. Mima S. Nedelcovych | President Emeritus & Senior Adviser | IGD

Overview

This panel session shined a spotlight on the progress and outcomes from the Leadership for Agriculture (L4Ag) Forum, to date. Held during the African Green Revolution Forum (AGRF), the session took place from Sept. 5-8 in Kigali, Rwanda. The session, *Deal-Making Versus Deal-Breaking: Using Public-Private Partnerships to Turn Policies into Action for Scaling Up Africa's Agribusiness and Agro-Industrialization*, was aimed at facilitating partnerships between policy makers, private investors and institutions, such as the African Development Bank, to build strong public-private partnerships that create new opportunities for agribusiness growth on the continent.

Through a lively and engaging discussion among key stakeholders in the agricultural value chain, participants generated frank discussions on how to turn policy into real actions and investments for Africa's agriculture prosperity. Participants also learned how the L4Ag Network can drive action-oriented, growth-enabling investments in the agriculture sector.

In opening remarks, Jennifer Blanke, Vice-President of Agriculture, Human and Social Development at the African Development Bank, reminded participants that the L4Ag Forum is part of the Bank's "Feed Africa" strategy—one of the High 5s, a top development priority for Africa's transformation. She placed a strong emphasis on strengthening cross-sectoral partnerships among the public and private sectors and announced that the Bank is launching a Secretariat to track progress on agricultural growth across Africa. Dr. Martin Fregene, the Bank's Director for Agriculture and Agro-Industry said the Secretariat will develop a pipeline of agricultural success stories and that L4Ag will be a platform for stakeholders to strategize on implementation.

The Rockefeller Foundation conceived the L4Ag Forum in 2013 to galvanize strong leadership between African Ministers of Finance and Agriculture and the private sector to make the "business case" for agriculture. The L4Ag initiative is jointly funded by the Bank and Rockefeller Foundation.

Mamadou Biteye, Managing Director for the Africa Regional Office at The Rockefeller Foundation, said L4Ag must evolve into becoming a platform for peer-to-peer support and learning network to spur a transformative agricultural agenda in Africa. "We are committed to developing a robust program between the meetings," said Biteye. "Meetings are a good place to share progress, but we must have a robust program of activities whether focused on meetings to talk about specific issues or to engage with the private sector in deal making."

Dr. Daniel Karanja, Vice-President for Programs and Advisory of the Initiative for Global Development (IGD), challenged participants to focus on providing bold leadership and practical solutions to address obstacles to growth in agriculture. "How can we come together as leaders and focus on what works?" asked Karanja. "I strongly believe that the time is now, we need to stop the talk and move to action."

Key Takeaways

- **Align Interests of Ministries of Finance and Agriculture.** Since agriculture is the backbone of most Africa economies, panelists overwhelmingly agreed that Ministers of Finance and Agriculture must put forth a united front by aligning interests to advance economic growth in their countries. In Mozambique, Hon. Higinio de Marrule, the country's Minister of Agriculture, stated that top cabinet ministers regularly go out to the fields to assess the progress of the agriculture season and tackle obstacles to growth in the sector such as infrastructure and education. "Agriculture cannot work alone," said Marrule. "We need other sectors."

Showing the *business value* of agriculture to the Minister of Finance and how it contributes to the national development is a strategy that has worked in Rwanda in generating more public investments in agriculture, said Dr. Agnes Kalibata, President of AGRA and Rwanda's former Minister of Agriculture and Animal Resources. Kalibata was an audience participant at the session.

- **Institute Policy Reforms to Boost Investments in Agro-industry.** Creating an enabling environment for the private sector to thrive is essential to encourage more investments in the agriculture sector. To attract more public and private investments in Gabon, Hon. Biendi Maganga, Gabon's Minister of Agriculture, said his ministry is working closely with the Minister of Finance, to demonstrate that agriculture is a growth sector. The government is instituting policy reform and devoting 10% of public expenditure in the sector to lay the foundation for private investments.

The protection of local markets and taxing some agricultural product imports could help to grow and sustain local markets, said Hon. Beda Machar Deng, Minister of Agriculture and Forestry in South Sudan. "We need the full cooperation from government and community" to support agricultural growth, said Deng.

Offering market protection on some agricultural products is often necessary to build up the local market, panelists agreed. Tei Mukunya, CEO of Azuri Health in Kenya, cited access to markets as well as finance as key barriers to growth for her company. She called for African governments to invest in the local SMEs market, pointing out that the playing field needs to be leveled because African agribusinesses are not able to effectively compete with cheap, imported agricultural products. Reforms in the banking sector are also required to ensure that more African agribusinesses can access affordable financing to scale up their business.

- **Create greater opportunities through regional markets.** Intra-African trade lags behind other regions of the world, yet offers the greatest potential for accelerating growth and regional integration. "The enabling environment needs to be [stimulated] at the regional level," said Dr. Edward Mabaya, Manager of Agribusiness at the African Development Bank. Mabaya said African countries need to transform national borders by harmonizing standards and trade policy to increase trade among African countries.
- **Attract Youth to Agriculture Sector.** Encouraging more youth to enter the agriculture sector is an ongoing challenge for both the public and private sector. Changing the mindset of young people working in agriculture should be a top priority for most African leaders. Private sector panelists noted that there was a serious gap in finding and hiring adequately skilled youth. Educated youth who are launching agribusinesses can only reach a certain point before lack of working capital restricts their ability to scale up their businesses.



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