

Agriculture in Africa's Transformation: The Role of Smallholder Farmers

AERC Senior Policy Seminar XVII
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Seminar Report

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The Training Programme augments the pool of economic researchers in sub-Saharan Africa by supporting collaborative graduate programmes in economics – at both master’s and PhD levels – as well as improving the capacities of departments of economics and agricultural and applied economics in public universities.

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Agriculture in Africa’s Transformation – AERC Senior Policy Seminar XVII, Maputo, Mozambique, March 26 –27, 2015: Seminar Report

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Abbreviations

ACCI	African Centre for Crop Improvement
AERC	African Economic Research Consortium
AfDB	African Development Bank
AU	Africa Union
CAADP	Comprehensive Africa Agriculture Development Programme
CMAAE	Collaborative Master's Programme in Agricultural and Applied Economics
COMESA	Common Market for Eastern and Southern Africa
ECOWAS	Economic Community of West African States
FfD	Financing for Development
FOs	Farmers' Organizations
GDP	Gross Domestic Product
IFPRI	International Food Policy Research Institute
ISTA	International Seed Testing Association
MFI	Microfinance Institutions
NTB	Non-Tariff Barrier
OUP	Oxford University Press
P4P	Purchase for Progress
PP	Producer Price
PPP	Public Private Partnership
PVP	Plant Variety Protection
R&D	Research and Development
SADC	Southern Africa Development Community
SCARDA	Strengthening the Capacity of Agricultural Research and Development in Africa
SDGs	Sustainable Development Goals
SPS	Senior Policy Seminar
SSA	Sub-Saharan African
UNCTAD	United Nations Conference on Trade and Development
UNECA	United Nations Economic Commission for Africa
WFP	World Food Programme
WRS	Warehouse Receipts Systems
WTO	World Trade Organization

Foreword

Senior Policy Seminars are annual forums convened by the African Economic Research Consortium (AERC) that provide high level African policy makers the opportunity to come together to learn about the results of AERC research, exchange policy experiences with each other and interact with AERC researchers in an atmosphere of peers, without the pressure of a donor presence. Each seminar features the presentation and discussion of papers related to a chosen policy theme.

The theme for the senior policy seminar “Agriculture in Africa’s Transformation: The Role of Smallholder Farmers” is very topical because nearly 70% of Africans depend on agriculture for their incomes, yet the sector accounts for only a third of the continent’s gross domestic product (GDP). Efforts to improve farmer productivity and raise incomes can, therefore, drive demand in other important economic sectors. This would increase economic growth while providing the opportunity to simultaneously pull millions of people out of the vicious circle of poverty. According to a recent World Bank report, growth in the agricultural sector is estimated to be more than two times as effective at reducing poverty as growth in other sectors, and more current research shows that in sub-Saharan Africa, growth in agriculture is more than 10 times more effective at poverty reduction than growth in other sectors.

The African Economic Research Consortium (AERC) and the World Food Programme (WFP) partnered to put together this timely senior policy seminar on Agriculture in Africa’s Transformation. Since March 2011, AERC has partnered with the World Food Programme (WFP) to run a Data Analysis and Knowledge Management Hub in support of the pilot Purchase for Progress (P4P) programme. Building on this partnership with the best of AERC traditions and relations, WFP and emerging priorities in the region, the AERC strategic plan for 2015-2020 has a dedicated thematic research group on agriculture. Despite the importance of the sector in the continent, agriculture is not getting the requisite attention from policy makers. This is manifested by the non-inclusive growth in most African countries leading to youth unemployment and poverty in the rural areas, where a majority of the population lives.

The African Economic Research Consortium (AERC) is grateful to all those who made the seminar a success, especially the Government of Mozambique, which welcomed us to the country and co-hosted Senior Policy Seminar XVII. I also thank the authors who produced very high-quality papers, and the participants for their active participation in producing the seminar’s policy recommendations to be shared with other African policy makers who did not find time to take part in this event.

AERC appreciates the hard work of Dr. Charles Owino, Manager, Publications, for organizing the event and putting this publication together. Dr. Samuel Mwakubo,

Collaborative Research Manager, and Dr. Owino again for their role as rapporteurs. Juffali Kenzi, ICT Manager, Winston Wachanga, Programme and Information Resources Administrator, worked on promotional materials, while Sandra Mulluka, Bertha Chedeye, and Hellen Makimi assisted with logistics. To all of these and the many others who were involved, AERC extends its heartfelt gratitude.

Lemma Senbet
Executive Director
African Economic Research Consortium

Agriculture in Africa's Transformation: The Role of Smallholder Farmers

Introduction

Senior policy makers from across Africa congregated in Maputo, Mozambique, on 26–27 March to discuss one of Africa's most pressing subject today – Agriculture in Africa's Transformation: The Role of Smallholder Farmers. The two days of intense deliberations during the seventeenth Senior Policy Seminar (SPS XVII) convened by the African Economic Research Consortium (AERC) mainly focused on policy issues. This regionwide seminar brought together 102 participants, primarily African policy makers and advisors drawn from the highest levels of government, representing over 25 countries on the continent. The cluster of senior government officials included ministers, governors of central banks, permanent secretaries, and several special advisors, as well as parliamentarians. Other participants included senior scholars and directors in various ministries and research institutes. The seminar was officially opened by Hon. Luísa Meque, Deputy Minister of Agriculture and Food Security, Mozambique, while Prof. Lemma Senbet, Executive Director of the African Economic Research Consortium (AERC) delivered the opening speech.

The seminar brought together a significant body of information to illuminate the issue of Agriculture in Africa's Transformation and related policy matters. It was anticipated that through AERC's broad research and policy network, the research papers and dissemination efforts would bring these issues to the fore so as to raise African policy makers' awareness and enable them to take a proactive stance on behalf of their countries. And, for AERC's own agenda on the economic policy front, Agriculture in Africa's Transformation has presented opportunities and challenges in the areas of focus of AERC research and training programmes.

Agricultural productivity growth over the decades has been disappointingly low. Whereas in Asia production increases came from rapid uptake of high yielding wheat and rice varieties, the use of fertilizers and irrigation combined with subsidies, which drove down cost of production and raised land and labour productivities, in Africa total cereal production has been increasing due primarily to increase in cultivated area. Reducing poverty and increasing wealth among smallholder farmers is an important policy challenge for African governments. The 2008 World Development Report

pointed out that GDP growth originating in agriculture is about four times more effective in reducing poverty than GDP growth of other sectors. Smallholder farmers in sub-Saharan Africa and developing countries elsewhere face a number of critical constraints, including low and uncertain prices, culminating in low crop yields and high yield volatility.

Transforming agriculture can help countries achieve their social development goals as the majority of the population in sub-Saharan Africa lives in rural areas where poverty and hunger are most prevalent. Given the sector's large contribution to the overall economy as well as the direct or indirect dependence of most households on agriculture, the central role of the agricultural sector to overall development has been well recognized.

Agricultural production and the related value chains have the potential to create employment, increase returns to the assets that the poor possess (e.g. labour and land), and reduce food prices. Speeding up agricultural transformation requires transformation of its subsectors. Further, the transformation of each subsector requires better capacitated, and well-functioning organizations and institutions - from the national to the farm level - that are responsive to programme and policy needed in the short and the long run. Institutional innovations are needed for such transformation. Smallholders in developing countries are the main actors of agricultural production systems. They contribute to food security, environmental conservation, and foreign currency earning through commodities exports. However, despite their importance, smallholders have suffered from policy neglect over the years. As a result, several constraints hamper their direct and full access to input and output markets, keeping their productivity levels lower than in other developing regions.

In the agricultural sector of Africa, a majority of the producers are resource poor and therefore have distinct challenges and needs. The role of the state is important in setting the stage for institutional innovation. African states have made considerable progress towards democratic institutions in the past 30 years. Organized states and stable governments provide the needed enabling environment for institutional innovations by being part of the regional and global development goals and transformation agenda. At the national level, the openness for debate and dialogue increases the need for evidence on what institutional and policy changes work and why. These

rapidly changing policy systems and institutional environments not only make African institutional challenges unique, but also call for context-specific institutional solutions for managing such processes.

Market participation is essential for smallholders to fully benefit from their agricultural activities. Although some of them may have access to lucrative segments of national and international markets, many continue to trade on less profitable local markets including farm gates and village markets. Input and output market failures and market imperfections that plague most developing countries' rural economies continue to hinder smallholder farmers' participation in the national and international trading systems. Poor infrastructure, lack of market information, and high safety and quality standards are some of the problems that will need to be overcome in order to increase smallholder farmers' participation in domestic, regional and international markets.

One way of linking smallholders with export markets would be to reduce the number of intermediaries who often benefit at producers' expense. This is a matter for domestic policy relating to the industrial organization of the commodities sector. Strengthening farmers' associations would also give more voice to atomized smallholder farmers and increase their bargaining power in domestic and export markets. There are many actions governments could take to encourage the formation of strong farmers' associations. Some of these include training, putting in place regular consultation mechanisms, and increasing resources allocated to agriculture. For some countries such as Côte d'Ivoire, lowering taxation could help increase the share of the international price paid to smallholders.

In spite of the overwhelming evidence that smallholder farmers make significant contributions to nutritional wellbeing of several people in developing countries, the farmers continue to suffer several setbacks that limit their productive capacity. The low and volatile price of crops and lack of guaranteed market for produce, remain critical constraints, resulting in low investment, poor yield, and low levels of livelihood. The Purchase for Progress (P4P) programme by the World Food Programme (WFP) offers the smallholder farmers a way out of these predicaments by providing them guaranteed markets for their produce as well as provide them with training through partners' capacity building efforts, and facilitate their access to credit.

Session One

Policy Constraints in Smallholder Agri-Food Production and Trade in Africa

Session chair: **Hon John Mutorwa**, *Minister for Agriculture, Namibia*

Presenter: **Augustine S. Langyintuo**, *The World Bank, Kenya*

Discussant: **Raimundo Matule**, *Director of Agricultural Economics, Ministry of Agriculture and Food Security, Mozambique*

This paper focused on the major policy challenges facing smallholder farmers along the agri-food production and marketing value chain, while recognizing the inter-linkages between policy and related challenges. The discussions were limited to key policy areas of land, purchased inputs (seeds and fertilizers), agricultural finance, research and development, and general institutional support.

There are many policy challenges in the areas of land, seeds, fertilizers, agri-finance and farm support. Land access policy challenges can be summarized as follows: 570 million farms exist worldwide, 90% are less than two hectares, 41 million farms are in sub-Saharan Africa (SSA), 32.8 million farms are cultivated by smallholders, but there are real land access policy challenges. The cultivated land in SSA is 183 million hectares, and the total suitable uncultivated land is 452 million hectares.

Land policy challenges include:

- Land access and security of access
- Lack of effective land development policies in many countries
- Limited reference to circumstances of local institutions
- Generally limited attention paid to women in land ownership

Policy reforms needed to spur agricultural growth:

Because land under customary systems is usually accessed through complex social relations governed by local institutions, any policy reform must be tailored to the physical, social, and economic contexts of the people and needs to take into consideration economic factors, issues of equity, social or religious beliefs that people attach to land. It should also consider the capacity of the country to implement such policies.

Elements of unfavourable seed policies

Weak internal seed policies, laws and regulations are hindering the growth of the sector. For example, we have dated laws and/or regulations inconsistent with development realities; ineffective implementation of laws and regulations; limited legal provisions to deter malpractices by rogue entrepreneurs; implementation-linked challenges; lack of an autonomous certification agencies in some countries and public sector monopoly of the production of foundation seed with Plant Variety Protection (PVP) laws absent in some countries, limited International Seed Testing Association (ISTA) accredited laboratories; lack of effective harmonized seed laws, regulations and standards and import/export restrictions and other non-tariff barriers to seed trade.

Policy reforms to promote seed sectors

These reforms include updating seed legislature to be private sector friendly and consistent with the development of the sector so as to crowd in private investment; complete liberalization of the foundation seed production – allowing the private sector to play that role; streamlining variety registration and certification; effective harmonized regional seed laws, regulations and standards and legislations should provide stiffer punishment for merchants convicted of trading in fake seeds to serve as a deterrent to others.

Policy constraints limiting fertilizer supply

Unconducive and inconsistent national and regional fertilizer policies preventing private investment is one constraint, others include, ineffective enforcement of quality control standards; abusive tariff and non-tariff barriers restricting multi-country trade; inadequate market transparency and business linkages; poor infrastructure that covers inefficient port handling facilities, underdeveloped road and rail systems as well as high

transport and handling costs. There is also lack of market information systems; limited harmonization of regional standards; limited and high cost of investment credit and stringent collateral requirements for credit.

Fertilizer demand side policy constraints

Poor quality assurance and fakes, including fertilizers adulterated with inert material such as cement and salt; underweight bags because some volume is removed resulting in lower concentration but packed as higher value product. Other demand side policy constraints are profitability (benefit cost ratio) of fertilizer use; high relative price of fertilizers versus poor output price, due to lack of competition among distributors and poor dealer network; lack of access to finance versus poorly resourced farmers.

Policy measures to improve fertilizer value chains

The supply side measures are creating enabling environments for private investment through maintaining consistent policies and desisting from fertilizer policy reversals, updating fertilizer policies, laws and regulations consistent with the times, imposing heavy penalties on counterfeiting / faking fertilizers, removing pricing and marketing distortions, enforcing effective regulatory frameworks and ensuring quality control standards and truth-in-labelling. Other measures to improve value chains include removing tariff / non-tariff barriers to promote regional trade, harmonizing fertilizer laws, regulations and grades across trading blocs, exploring opportunities for local manufacturing and enhancing adequacy of fertilizer supply chain coordination mechanisms. Also reducing fertilizer sourcing costs by improving access to foreign exchange and credit, strengthening port infrastructure, pooling import orders especially for landlocked countries as well as improving infrastructure to reduce transport costs are important besides improving access to finance through innovative financing mechanisms.

Demand side measures

As for demand side measures, we need to empower farmers through: improved access to credit / finance (e.g., smart subsidies); strengthen capacity to manage fertilizers efficiently; ensure competitive markets to enhance profitability of fertilizers use and promote farmer associations to strengthen their bargaining power. Managing production and price risks through crop insurance is also very vital.

Agricultural trade policy concerns

One major concern is that the size of the African trade is only 11% and only 1.5% in East and Central Africa compared with trade in Europe and North America of 40% and 60%, respectively. If transit time were reduced by just a day, exports could increase by 7%. An investment of US\$32 billion to upgrade the main intra-African road network would result in trade expansion of about US\$250 billion over 15 years and spending power in Africa by 2030 is estimated at US\$11.3 trillion

Commonly identified non-tariff barriers in Africa

General WTO classification for NTB	NTB commonly identified in Africa
Government participation in trade and restrictive practices tolerated by governments	Varying trade regulations Non-acceptance of certificates and trade documentation Cumbersome visa requirements Restrictions to enhance national food security Restrictive transiting procedures, road blocks Business registration and licensing constraints
Customs and administrative entry procedures (licensing)	Non-standard customs documentation procedures Cumbersome processing of export and import licensing/permit
Technical barriers to trade	Duplicated functions of agencies involved in quality, quantity of dutiable import or export
SPS measure	Constraints in quality inspection procedures
Specific limitations	Unnecessary import and export bans and quotas
Charges on exports	Other restrictive charges that are non-export or import duties e.g., charges in roads and border tolls
Others	Incorrect tariff classification

Improving marketing and trade policies

There is a need to align and harmonize policies across the countries in the region and intraregional trade barriers should be eliminated. Ad hoc interventions in grain markets, unpredictable export bans, waiver of import duties, and minimum price setting should be discouraged. Investment in infrastructure (roads, electricity, communications, water, etc.) is important for improving marketing and trade policies. Supporting the establishment of rural processing zones in rural towns cannot be overemphasized.

Reasons for the limited financing of agriculture include:

- Lack of usable collateral
- High transaction costs for services provided
- Dispersed demand for financial services
- Small size of farms and individual transaction
- Lag between investment needs and expected revenues
- Lack of irrigation facilities contributing to high covariate risks due to rainfall variability
- Inputs and outputs prices risks
- Poorly developed agro-foods value chains which significantly increase risks and exposure for the bank
- General lack of understanding about the agricultural sector and the opportunities among the financial institutions

Approaches to close the financing gaps

Several approaches can be used to close financing gaps that exist in Africa such as microfinance, saving and credit associations although there is very little outreach compared with the demand while inadequate capitalization limits the level particularly in assessing the possibilities of default by a prospective borrower. We can also use credit guarantees with fees sufficient to reduce moral hazards but encourage banks to participate as well as risk sharing arrangement between the guarantor, the lender and the borrower to reduce moral hazards. Also important is interlocked marketing for credit and value chain financing as well as providing inputs with spillover effects on non-target crops. This requires implementation of contract enforcement laws and regulations.

Others are warehouse receipts systems (WRS) which promotes rural finance, structured trade and storage loss reduction and effective under regulated systems where financial systems not strong enough to protect investment

Public policy strategies to improve agricultural financing

- Public policy, the regulatory framework and non-performing collateral laws limiting the effectiveness of the MFIs
- Development and implementation of contract enforcement laws and regulations
- Policies to promote credit guarantee schemes through central banks
- Development and implementation of warehouse receipts laws and regulations and link WRS to functional commodity exchanges

Research development policy

Budget allocation to Research and Development (R&D) should be at least 1% of agricultural GDP to be able to make any meaningful impact on technological transformation within the agricultural sector. Research and Development should focus not only on primary research but also on agricultural value addition. Research should also assess the real cost of trade barriers and disseminate the results to policy makers as input into their decision making processes.

Concluding remarks

Agricultural productivity growth in Africa is challenged by a combination of inputs, outputs and financial markets policy failures constraining private investments. Enacting, implementing and enforcing predictable private sector friendly laws and regulations consistent with the day is paramount in driving productivity growth. Fostering effective PPP to secure adequate frameworks for a healthy competitive environment would potentially improve private investments. Removing obstacles to international trade and investing in infrastructure as a public good should be prioritized by all.

Session Two

Institutional Innovations for Agricultural Transformation in Africa

Session chair: **Ms. Charity Dhilwayo**, *Deputy Governor, Reserve Bank of Zimbabwe*

Presenter: **Suresh Babu**, *International Food Policy Research Institute (IFPRI)*

Discussant: **Bourdanne Bourdanne**, *Cameroon Agricultural Competitiveness Project*

Achieving African transformation

Speeding up agricultural transformation requires transformation of subsectors. This requires better capacitated, well-functioning institutions from farm to national levels. Achieving African economic transformation requires: Diversification of agricultural production and exports; increased competitiveness on global market; update of technology use in all sectors; increased labour productivity all leading to increases in human welfare. Africa's transformation can be powered by agriculture. Agricultural productivity gains are critical for Africa's economic transformation. Agricultural value chains have the potential to reduce food prices, create employment, reduce poverty. We know that technological innovations are required to increase agricultural productivity for smallholders. In the same light, institutions that support smallholder farmers must be transformed.

Setting the stage

What is the realistic path for agricultural transformation? Labour-intensive manufacturing is needed, so is foreign direct investment and costly infrastructure investments (e.g. roads, electricity), but many countries may not be able to afford this. The agricultural sector may have comparative advantage including export markets for agricultural commodities, private

sector/non-traditional approaches to value chain and agricultural strategy in the context of holistic development.

Institutional innovation in agriculture

These innovations are needed at all levels. Some examples are: Farm level – better engagement with market systems to improve productivity and income; Community level – farmer-based organizations and national level – public sector supports research and extension

Goals of transformation

The goals of Africa's transformation include goals beyond agriculture such as dietary transformation; export diversity; convergence of labour and total factor productivity; increased share of processed agricultural commodities in total exports; increased competitiveness of agriculture on world market; modern technology adoption and agriculture's contribution to increased incomes and poverty reduction.

Public sector institutions

Public sector institutions take centre stage in the development and implementation of policies and programmes. Institutional innovations are required to: Transform operational processes to translate strategies into policies to meet national goals; improve allocation of resources; implement system to incentivize staff performance and accountability besides monitoring and evaluation of programmes.

Example of public sector institutional innovation

Ethiopian Agricultural Transformation Agency: The characteristics of this institution include: Outcome-oriented approach; accountability at all levels; individuals have responsibility; capacity – broadly defined as institutional capacity.

Research institutions

Agricultural research systems support the development and dissemination of technologies that increase productivity and efficiency. Currently, African research systems are largely demand-driven and remain focused on staple crop production. Poorly capacitated, poorly integrated, unfocused priorities (You and Johnson, 2008)

What institutional innovations are needed in research?

- Innovations of individual and organizational capacity, as well as the system as a whole
- Reform research priority setting
- Innovations in the budgeting process to reform how spending is allocated so it can be more effectively used
- Ensure research is relevant
- Innovations that emphasize and enable multidisciplinary, cross-institutional research and collaboration

Extension institutions

In the context of agricultural transformation, extension institutions play a key role in the dissemination of advanced technologies to smallholders.

Innovations needed include:

- Demand-driven or participatory approaches to meet farmer information needs
- Increased connectivity to sub-systems to increase availability and flow of knowledge
- Broaden the functions of extension to include post-harvest storage and marketing, building the capacity of farmers' organizations, support rural development
- Innovations in financing of extension services including fee-for-service and cost-sharing models

Education institutions

Transforming traditional agricultural sector requires adequate human capacity at all levels, therefore institutional innovations are needed: Locally designed innovations to reduce the brain drain and address current research challenges; regional innovations to mobilize local talent and strengthen local faculties and institutional innovations to retain staff through on-the-job training and mentoring.

Examples of institutional innovations in the education sector

1. African Centre for Crop Improvement (ACCI)

Designed to address the high demand for high quality plant breeders in agricultural research. Participants are from their respective country's research institutions. It is housed at the University of KwaZulu-Natal. A locally designed innovation, it combines rigorous training and mentorship from faculty.

2. Collaborative Master's Programme in Agricultural and Applied Economics (CMAAE)

Offered through 16 collaborating universities across Africa. It is a regional innovation created to address the need to increase the quality of faculty. It is a joint programme towards a shared goal of filling gaps in teaching. This shared faculty approach has brought in students from various countries for specific learning goals.

3. Strengthening the Capacity of Agricultural Research and Development in Africa (SCARDA)

An approach to strengthening institutional capacity with emphasis on filling gaps in individual capacity. It is meant to directly improve the organization and management of national research institutions, strengthen existing capacity within the institutions and provide adequate opportunities for mutual learning.

Market and trade institutions

There is a need for institutions that support the integration and participation of smallholders in markets. Value chains are an important mechanism to drive agricultural transformation. For example, Nigeria's Agricultural Transformation Agenda specifically supports commodity value chain development such as rice and cocoa while market institution such as Ethiopia Commodity Exchange were formed to generate market information by increasing transparency of prices, grades, and qualities and promoting self-regulation of the system.

Community institutions and farmers organizations

Farmers' organizations play a critical role in agricultural transformation through their ability to empower smallholders by: increasing access to production information and knowledge; increasing access to extension services, inputs, and markets; and highlighting local problems and helping identify solutions. Ostrom (1994) found that resources are used more effectively when managed at the community level.

Agribusiness institutions

The development of agribusinesses and value chains for high value commodities can drive transformation and take advantage of growing

demand for processing and exporting these goods. Institutional innovations in agribusiness could lead to direct transformation benefits in terms of growth and poverty. Innovations are needed in input supply, advisory services, processing, quality control, distribution, and marketing. We need to build innovation capacity at all levels, so that farmers have higher entrepreneurial and managerial skills

Examples of institutional innovations in agribusiness

Horticulture in Kenya

Took advantage of available natural resources, low cost of skilled labour, and existing infrastructure needed for export of commodity. Additional institutional innovations are needed to overcome food safety regulation, increasing wages, changing consumer preferences.

Poultry in Mozambique

Currently, most countries are unable to respond to import substitution opportunities. Innovations are needed to support smallholders, who make up majority of poultry producers, to capture local demand.

Horticulture in Ghana

A majority of fruits and vegetables are still imported in Ghana. Although foreign investments in the pineapple industry have been very active, this has not been effectively extended to other commodities. Institutional innovations are needed to balance opportunity to export with growing domestic needs.

Institutional governance

Issues of good governance can be applied to all of the types of institutions mentioned above. Characteristics of reformed governance within institutions include: Leadership and commitment to short-term and long-term goals; improved coordination of all actors and players; openness in policy dialogue to ensure policies and programmes are evidence-based and informed; effective monitoring and evaluation systems

Challenges to implementation of institutional innovations

Several institutional innovations have been attempted, including Comprehensive Africa Agriculture Development Programme (CAADP) at the regional level. The success of CAADP is driven by: Leadership at the African Union and country levels, ability of national governments to mobilize resource and capacity to provide strategic direction to programmes to reach CAADP targets. Successful experiments have yet to be scaled up in individual countries or across countries due to differences. Currently, limited cross-country knowledge sharing and availability of funding also inhibit scaling up. Capacity constraints at all levels constrain the implementation of institutional innovations. There is a need to strengthen the capacity of policy makers to anticipate, recognize, and respond to institutional challenges.

Challenges to implementation of institutional innovations

- Institutional innovations often do not get implemented due to lack of good governance
 - Institutional innovators must be recognized to play a legitimate role in agricultural transformation
 - Leadership needed to provide strategic direction
 - Coordination and cohesive alignment to broader sector goals
- Political economy often constrain the implementation of agricultural reforms
- Conflicts erode the capacity to innovate at all levels
- Regulatory system innovations are needed to make African agriculture competitive on the world market (e.g. food safety, animal and plant health, environmental, input use regulations)
- Regional harmonization of policies and programmes (e.g. SADC, ECOWAS, COMESA)

Session Three

Improving Smallholder Farmer Productivity and Wellbeing through Guaranteed Market: The Case of P4P in Ghana.

- Session chair: **Caleb Fundanga**, *Executive Director, MEFMI, Former Governor, Bank of Zambia*
- Presenter: **Wisdom Akupalu**, *(UNU-WIDER) & University of Ghana.*
- Discussant: **Rodney Lunduka**, *CIMMYT, Zimbabwe*

Smallholder Farmers Access to Markets

Smallholder farmers in sub-Saharan African countries and in other developing regions face a range of formidable challenges, including low and unstable prices that often culminate in low crop yields and high volatility in overall yield levels. In recognition that crop yields and subsequently the livelihoods of smallholder farmers could be enhanced by providing them with a guaranteed market, bolstered by improved supply-side conditions such as training and better access to input credit, in September 2008, the World Food Program (WFP) launched a five-year pilot program in 20 countries including Ghana known as Purchase for Progress (P4P). The program aimed at providing forward market opportunities to smallholder farmers through farmer organizations (FOs) and also indirectly assisting them to access technical support and credit through P4P partner-support initiatives. Using Ghana as a case study, this study investigates whether the improved market access through P4P leads to increased yield and lowered yield volatility by comparing smallholder farmers who were randomly selected to join the P4P program and their counterparts who were not selected.

P4P in Ghana

The P4P program in Ghana started in late 2010 covering two out of the ten administrative regions of the country: the Ashanti Region and the Northern Region. The dominant cereals cultivated in the two regions are maize and rice, respectively, but a significant number of the Northern region smallholder farmers cultivate maize as well. Besides offering the P4P farmers in the Ashanti Region competitive forward market, in both regions, the program supports capacity-building efforts (including good agricultural practices, agricultural marketing and post-harvest technologies) through P4P partnerships. For ease of comparison, the analysis was restricted to maize farmers in the two regions.

Results

Data Description

The analysis is based on two rounds of surveys: a baseline survey done in 2011 and a mid-term follow up survey conducted in 2013. The samples consisted of 465 and 295 farmers from the Ashanti and Northern Regions respectively. The average farm sizes cultivated in the Ashanti and Northern regions were 3.5 and 2.9 acres, respectively. In the Ashanti Region, P4P farmers had slightly high average yields than non-P4P farmers, both in the baseline (2011) and the follow-up years (2013). In the Northern Region, however, the average yield was marginally lower for P4P farmers during the baseline year but much lower in the follow-up year compared to non-P4P farmers. Furthermore, for both groups and in both years, the average yields were higher for the Ashanti Region than for the Northern region. It is noteworthy that P4P procurement activities for maize were absent in the Northern region.

Decision to Sell through FOs

In the Ashanti Region, the decision to sell through FOs is influenced by the size of the farm cultivated, access to credit, source of output price information, and the proportion of the produce the P4P farmers were willing to sell immediately after harvest. The farmers who had larger farms and those who sell lesser proportions of their produce soon after harvest were more likely to sell through their FOs. In addition, the farmers who had access to credit or obtained price information from their FOs were more likely to sell

through the FOs. Although the FOs have the capacity to aggregate, store, and meet the quantity and quality requirements of WFP, payments are not made immediately to the farmers hence some of farmers seek alternative marketing channels available to them.

Unlike in the Ashanti Region, the procurement activities for maize were absent in the Northern region. Like their counterparts in the Ashanti Region, the Northern Region P4P farmers who sold a larger proportion of their produce soon after harvest were less likely to sell through their FOs. But the farmers who obtained input credit were more likely to sell through an FO than those who did not obtain input credit. Additionally, farmers who obtained price information from an FO were less likely to sell through them. Furthermore, the P4P farmers who cultivated greater quantities of indigenous seeds were more likely to sell through their FOs.

Determinants of Percentage Change in Crop Yield

In the Ashanti Region, access to training from NGOs significantly impacted maize yield for both male and female operated farms. In addition, compared to the men, the women farmers who received training had a 164% higher yield. This is perhaps due to the limited access to training in good farm management practices by females, making the marginal returns to such training very high (Applefield & Jun, 2014). However, the women farmers, despite the benefits of training, still had significantly lower yields than their male counterparts, implying that in this context, the training only partially mitigated the gender-specific disadvantages that were working against them. We also found that older farmers tended to have lower yield, but interestingly, for any given age, the women had a larger percentage change in yield than the men. Age, in other words, affected the women more. Finally, perhaps the striking result is the significant and positive relationship between membership in P4P and yield. Since training in better farm management is controlled for, the membership difference could be due to the assured market effect.

As with farmers in the Ashanti Region, we found decreasing marginal returns to labor usage in the Northern Region. In addition, in both regions, older farmers had lower yields than younger farmers. Unlike in the Ashanti

Region, however, Northern Region farmers who cultivated higher quantities of improved seeds per acre experienced significantly increased crop yields. This is likely due to favorable biophysical conditions for growing such varieties.

Determinants of Crop Yield Volatility

We analyzed the spread of yield by comparing the baseline and the follow-up periods. The statistical volatility analysis -- standard deviations of the percentage changes in yield -- revealed that male P4P farmers registered much lower yield volatility than non-P4P farmers in both regions. By contrast, among the female farmers, membership in P4P did not affect yield volatility in the Ashanti Region, and influenced it only marginally in the Northern Region. In both regions, the men experienced lower yield volatility than the women, regardless of membership status in P4P.

Conclusions

The results appear to support the claim that the P4P program by providing guaranteed market and partner support training programs is achieving the intended outcome of increasing crop yield, as well as lowering yield volatility among some farmers, all else being equal. Moreover, increased access to training on better farm management practices is highly beneficial especially to women who face disproportional constraints in SSA.

Finally, it ought to be stated that our findings, although interesting, can be generalized only cautiously because of the following data limitations. Our survey was restricted to surplus-producing areas within the two regions where WFP had the programme. Thus, only farmers who met the criteria of producing surplus were included in the survey. As a result, the findings cannot be extended easily to subsistent farmers. Moreover, because of the limited number of farmer organizations, our analysis was done at the household level rather than at the level of FOs.

Session Four

Inclusive and Sustainable Commodity Development: The Case of Smallholder Farmers

Session chair: **Ken Davies**, *Global Coordinator, Purchase for Progress (P4P), (WFP)*

Presenter: **Janvier Nkurunziza**, *UNCTAD*

Discussant: **Adam Mugume**, *Executive Director, Research and Policy, Central Bank of Uganda*

Smallholders in Africa are critical for food security and development of agriculture; they deserve more policy attention.

Why care about smallholders in africa?

- Neglected despite their importance
- Represent a large proportion of population and of the poor
- Produce most of the food and agricultural exports
- Efficient: Low cost of labour supervision where land and capital are scarce
- Are currently at centre of major international debates: Sustainable Development Goals (SDGs), Financing for Development (FfD), Environment, etc.

Major constraints to smallholders' market access

1. Input markets
2. Output markets

Fertilizer

Very low use of fertilizer due to: Low income; high transaction costs in accessing fertilizer markets and lack of technical knowledge relating to fertilizer use. There is also the use of wrong fertilizer, wrong quantities, wrong timing. These constraints largely explain yield differentials between Africa and other developing regions.

Land

Few countries have large unexploited arable land, but generally plot sizes are small (less than 2 hectares) and declining. Three major issues that also affect land use, are:

1. Land security: improvement leads to better gender balance, higher investment, better land conservation (e.g. Rwanda)
2. Irrigation is the missing piece of Africa's agricultural puzzle (International Food Policy Research Institute, IFPRI): only 3.7% of arable land is irrigated in sub-Saharan Africa
3. Issue of land grabs

Rural labour markets

Most smallholdings use own or family labour and thin labour markets are used to acquire unavailable skills. Labour market are used for off-farm activities. There is also seasonality of labour markets. Another common factor is that income from selling one's labour complements income from farming activities.

Credit and other financial services

Access to credit – to invest, buy inputs – and smooth cashflow is a real problem. The coexistence of formal and informal markets is encouraged to boost production. It must be noted though that smallholders are usually marginalized in formal markets and that 1% of credit goes to agriculture, mainly large farms. Hence, these depend on informal markets: annual interest rate reaches 100%; lending to smallholders is profitable (e.g. Equity Bank in Kenya) and agricultural insurance services should be made even more accessible.

Domestic markets: Farm gate and village

Prices in these markets are generally lower than in other markets. There is also high transaction costs, lack of market information, limited supply push

towards these markets and no proper aggregation centres and transport infrastructure.

Domestic markets: urban markets

- Changing consumer patterns of urban dwellers
- Have more stringent quality requirements but offer better prospects than village markets: Kenyans selling to supermarkets increased revenues by 50%
- Are larger than international markets in many countries
- Their development constrained by same infrastructure, quality standards, information problems, etc.

International markets

Major products sold:

- Traditional cash crops (coffee, cocoa, tea)
- High value products (fruits, vegetables, flowers)

Major constraints:

- Very stringent quality standards beyond capacity of most producers.
- High price volatility
- Actions needed to help comply with standards and reduce volatility

Price volatility

Producer prices are more volatile than international prices. Power structure in export markets penalizes scattered small farmers because they are price takers. International markets are highly concentrated (e.g. chocolate), thus little room for negotiation. It also important to note that market is so fragmented at domestic level with too many intermediaries, who are crucial because they have a role to play.

Impact of liberalization

Trade liberalization has exposed smallholders to the vagaries of international trade. The Producer Price (PP) is main incentive farmers receive to produce a specific export crops, it is therefore important to know what determines PP.

Main results of the analysis

Liberalization has increased the elasticity linking producer and international prices and the speed of absorption of price shocks. Results

before and after liberalization are qualitatively similar, suggesting that regulated prices were, over some time horizon, regularly adjusted to reflect international market realities. Even during liberalization period, governments still affect producer prices (e.g. through taxation). Increased exposure has led to smallholders' uncertainty, this has increased vulnerability, as smallholders do not have access to appropriate insurance instruments. More integration coexisted with low producer prices. It is important to note that international price is just one determinant of PP. Domestic policies (e.g. fiscal) are a key determinant of producer prices.

Improving market access

Small farmers should be put at the centre of development policy. The state should play its role by increasing access to inputs, such as fertilizer and irrigation, to raise productivity and improve land tenure security. It is also important to encourage formation of farmers' associations to increase negotiating power and aggregation of production as well as develop accessible financing and insurance instruments.

Policy Roundtable

The closing session of the senior policy seminar was a public/private sector roundtable, chaired by Hon. Fidelis Molao, Assistant Minister for Agriculture, Botswana, that looked to synthesize the discussions on the challenges of Agricultural transformation in Africa and what African role players can do.

Agriculture is Africa's Transformation: The Role of Smallholder farmers

Panel

Session chair: **Hon. Fidelis Molao**, *Assistant Minister for Agriculture, Botswana*

Panelists

- **Hon. Paddy Zhanda**, *Deputy Minister, Ministry of Agriculture, Zimbabwe*
- **Njuguna Ndung'u**, *Former Governor, Central Bank of Kenya*
- **Adolf Mkenda**, *Deputy Permanent Secretary, Ministry of Finance, Tanzania*
- **Ms. Lethusang V. Hanyane**, *Permanent Secretary, Ministry of Agriculture & Food Security, Lesotho.*
- **Stanlake Samkange**, *Director, Policy and Programme, World Food Programme*
- **Bojang Sheriffo**, *Permanent Secretary, Ministry of Agriculture, The Gambia*
- **John Pangech**, *Director General, Ministry of Agriculture, South Sudan*

Purpose of the Policy Panel

- Provide a forum for exchange of views between policy makers and the research community on the challenges facing agricultural sector in sub-Saharan Africa.
- Provide a platform to facilitate exploration of areas of common interest among the various role players in confronting these challenges.

Key Policy Recommendations

Senior African Policy Makers Reaffirm the Critical Role of Smallholder Agriculture in Africa's Economic and Social Transformation

At a Senior Policy Seminar held in Maputo, Mozambique on 26-27 March, 2015, and hosted by the African Economic Research Consortium (AERC) in partnership with the UN World Food Programme (WFP) focusing on the theme, "Agriculture in Africa's Transformation: The Role of Smallholder Farmers," senior policy makers from around the continent adopted a declaration as an affirmation of their strong commitment to supporting smallholder agriculture as an engine for growth and transformation on the continent

Declaration *Maputo, March 27, 2015*

We African Senior Policy Makers assembled at the AERC Senior Policy Seminar,

Affirming that pro-smallholder agricultural development is pro-growth,

Recognizing the prominent position accorded to smallholder farmers in the African Union's Comprehensive African Agricultural Development Programme (CAADP),

Further recognizing the renewed commitment to smallholder agriculture in the Malabo Declaration by African Heads of State on Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods,

Commending governments across Africa for devoting increasing shares of

national budgets to agriculture, while recognizing that important gaps remain,

Noting that appropriate incentives are critical for smallholders to adopt the productivity - and income-enhancing technologies and practices that drive agricultural development and broader economic and social transformation,

Further noting that several structural conditions generate obstacles to such increased adoption, most notably by limiting smallholder engagement in key input and output markets, including critical information gaps,

Mindful that the needs of women farmers and youth require special attention,

Also mindful of the need to address expanded access to land, credit, and financial services,

Appreciating the urgent need for policy reforms and institutional innovation to overcome these obstacles, with an emphasis on stronger implementation,

Acknowledging the importance of reliable market outlets for surpluses generated when smallholders adopt improved technologies and practices,

1. *Affirm* that smallholders lie not only at the centre of the financial inclusion agenda, but also at the broader financial development agenda, and that Central Banks can play a critical role in furthering smallholder inclusion in financial markets;
2. *Commend* the partnership between the African Economic Research Consortium (AERC) and the UN World Food Programme (WFP) to strengthen the evidence base for policy and programme design and implementation for demand-led pro-smallholder market development, urging them to continue to work with other partners to develop a practical but cutting-edge Research and Development agenda to address policy and programming challenges raised by demand-driven pro-smallholder market development;
3. *Take note* of the promise of the demand-led Purchase for Progress (P4P)

approach as an institutional innovation that can strengthen African smallholders' capacities to seize market opportunities and thereby adopt yield-enhancing technologies, raise their incomes, and enhance their well-being; and,

4. *Commit* to undertake consultations within our own governments to explore scope for employing pro-smallholder demand-led approaches within public food procurement programs, thereby promoting inclusive and sustainable growth and broader transformation.

Seminar Participants

	Name	Affiliation	Designation	Country
1	Alexis Nkunzimana	Banque de la Republique du Burundi	Senior Economist	Burundi
2	Jaden Tonguan Wani	Ministry of Agriculture, Forestry and Rural Development	Under Secretary	South Sudan, Juba
3	Jashinto Genye	General Secretary	South Sudan Economic Association	South Sudan, Juba
4	Stanlake Samkange	WFP, Italy	Director, Policy and Programme	Rome, Italy
5	John Mutorwa	Ministry of Agriculture Water and Forestry	Minister	Namibia
6	Benethelin Zaaruka	Bank of Namibia	Senior Economist	Namibia
7	S. Motelle	Bank of Lesotho	Senior Economist	Lesotho
8	Steve Wöndu	National Audit Chamber	Auditor General	Juba, South Sudan
9	Jocelyn Balley	Direction de la Production Vegetable	Vice Officer General	Porto Novo, Benin
10	Arsene Kouadio	IPD	Executive Director	Cote d'Ivoire
11	Refeletsoe Lerotholi	Ministry of Agriculture	Chief Economic Planner	Lesotho
12	Lamin Sanneh	Ministry of Lands and regional government	Permanent Secretary	The Gambia
13	Bai Senghor	Central Bank of The Gambia	Director, Microfinance Department	The Gambia
14	Mahamoudou Famanta	l'IPR/IFRA de Katibougou Mali	Directeur Général	Mali
15	Walngar Sadjinan Déba	Ministry of Planning and International Cooperation	Deputy Director of Planning and Studies	Chad
16	Alexander Nuetah	Ministry of Finance and Development Planning	Assistant Minister	Liberia

	Name	Affiliation	Designation	Country
17	Oswald Mashindano	ESRF	Research Associate	Tanzania
18	John Pangech	Ministry of Agriculture	Director General	South Sudan
19	Alie Mansaray	National Commission for Social Action {NaCSA}	Commissioner/ former Minister for Agriculture	Sierra Leone
20	Njuguna Ndung'u	Central Bank of Kenya	Central Bank Governor	Kenya
21	Aly Conde	Ministry of Agriculture – Agence Nationale des Statistiques Agricole	Directeur General	Guinea
22	Sikhhalazo Dube	ILRI	Regional Representative for Southern Africa	Zimbabwe
23	Gemma Ahatbwe	Economic Policy Research Centre	Senior Research Analyst	Uganda
24	Charles Chol Mojwok	Ministry of Finance and Economic Planning	Director General of Planning	South Sudan
25	Francis Mulangu	African Centre for Economic Transformation	Chief Economist	Ghana
26	Bojang Sheriffo	Ministry of Agriculture	Permanent Secretary	The Gambia
27	Duncan Pieterse	National Treasury	Director, Microfinance Policy	South Africa
28	Rodney Lunduka	CIMMYT	Socioeconomist	Zimbabwe
29	Moses Osiru	RUFORUM	Deputy Executive Director	Uganda
30	Ephraim Chirwa	University of Malawi	Consultant/ Agriculture specialist	Zomba, Malawi
31	Boaz Blackie Keizire	Centre for Agricultural Transformation in Africa (CATA)	Director	Ethiopia
32	Ndiaye Waly	Ministere du Travail	Ministry Advisor	Senegal

	Name	Affiliation	Designation	Country
33	Dalisto Kalimba	Ministry of Finance, Economic Planning and Development	Chief Economist	Lilongwe, Malawi
34	Koffi Kouame	Ministry of State, Ministry of Planning and Development	Directeur du central, de suivi et evaluation	Ivory Coast
35	Prosper Honagbode	Ministry of Economy, Finance & Denationalization Programmes	Deputy Director General of Economic Affairs	Benin
36	Maleoa Christine Mohloboli	Department of Agricultural research	Chief Research Officer	Lesotho
37	Lethusang Veronica Hanyane	Ministry of Agriculture and Food Security	Permanent Secretary	Lesotho
38	Adam Mugume	Bank of Uganda	Executive Director, Research and Policy	Uganda
39	Marleen Dekker	INCLUDE / ASC	Coordinator	Netherlands
40	Blesse Gozia yves	Ministry of Agriculture	Chef de Planification	Ivory Coast
41	Steven Omamo	WFP-Italy	Senior Advisor	Italy
42	Ken Davies	WFP-Italy	Director & Global P4P Coordinator	Italy
43	Bourdanne Bourdanne	Cameroon Agricultural Competitiveness Project	Livestock Value Chain Specialist	Cameroon
44	Tidimalo Beauty Rakgantswana	Ministry of Agriculture	Senior Advisor	Botswana
45	Fidelis Molao	Ministry of Agriculture	Assistant Minister	Botswana
46	Orman Roy	Ministry of Agriculture	Senior Advisor	Botswana
47	Shenggen Fan	Int. Food Policy Research Institute	Director General	USA
48	Adolf Mkenda	Ministry of Finance	Deputy Permanent Secretary	Tanzania

	Name	Affiliation	Designation	Country
49	Caleb Fundanga	MEFMI	Former Governor	Kenya
50	Clæe Mbizule	WFP-Italy	Learning and Sharing Advisor	Italy
51	Nancy Laibuni	KIPPRA	Head Productive Sector Division	Kenya
52	Paddy Zhandu	Ministry of Agriculture	Deputy Minister	Zimbabwe
53	Charity Dhilwayo	Reserve Bank of Zimbabwe	Deputy Governor	Zimbabwe
54	Chris Nikoi	WFP-South Africa	Regional Director	SouthAfrica
55	Sarah Longford	WFP-South Africa	Senior Regional Programme Advisor	SouthAfrica
56	Abdoulaye Balde	WFP-Mozambique	Country Director	Mozambique
57	Zibo Issa	Ministry of Agriculture & Food Security	Directeur de la Vulgarisation transfert de Technologies	Niger
58	Ntitia Tuoane	Ministry of Agriculture & Food Security	Director	Lesotho
59	Sunday Mutabazi	Ministry of Agriculture, Animal industry & Fisheries	Commissioner Farm Development	Uganda
60	Houenou Hippolyte Laurent Messah	Ministry of Agriculture, Livestock and Fisheries	Homologue at PROVAC Project	Benin
61	Abdourahmane Balla	CRESA Faculte d' Agronomie UAM	Coordonnateur CRESA	Niger
62	Daniel Clemente	MASA	Permanent Secretary	Mozambique
63	Raimundo Matule	Ministry of Agriculture and Food Security	National Director	Mozambique
64	Mohamed Vala	MASA	National Director of Economics Services	Mozambique

	Name	Affiliation	Designation	Country
65	Filomena Matope	INCAJU-MASA	National Director of Institute of Cashew	Mozambique
66	Norberto Mahalambane	IAM-MASA	National Director of Institute of Cotton	Mozambique
67	Fernando Mavie	Ministry of Agriculture & Food Security	National Director of Agricultural Extension	Mozambique
68	Inacio Calvino Maposse	Mozambique Research Institute	Director	Mozambique
69	John mutola	National Institute of Irrigation	Director	Mozambique
70	Lucia Luciano	MASA	Deputy National Director of Economics	Mozambique
71	José C. Pacheco	Ministry of Agriculture and Food Security	Vice Minister	Mozambique
72	Luisa Meque	Ministry of Agriculture and Food Security	Vice Minister	Mozambique
74	Celso Correia	Ministry of Land, Environment and Rural Development	Vice Minister	Mozambique
75	Adriano Maleiane	Ministry of Economy and Finance	Vice Minister	Mozambique
76	Maxi Tonela	Ministry of Industry and Trade	Vice Minister	Mozambique
77	Suresh Babu	IFPRI	Agricultural Economist	USA
79	Janvier Nkurunziza	UNCTAD	Director	Switzerland
80	Augustine S. Langyintuo	World Bank Group	Director	Kenya
81	Wisdom Akpalu	UNU-INRA University of Ghana	Economist	Ghana
82	Lemma Senbet	AERC	Executive Director	Kenya

	Name	Affiliation	Designation	Country
83	Innocent Matshe	AERC	Director of Training	Kenya
84	Witness Simbanegavi	AERC	Director of Research	Kenya
85	Charles Owino	AERC	Manager, Publications	Kenya
86	Samuel Mwakubwo	AERC	Manager, Research	Kenya
87	Juffali Kenzi	AERC	Manager, ICT	Kenya
88	Paulo Dias	AERC	Manager, DAKMAH	Kenya
89	Winston Wachanga	AERC	IR Administrator	Kenya
90	Sandra Mulluka	AERC	Communications Assistant	Kenya
91	Hellen Makimi	AERC	Administrative Assistant	Kenya
92	Bertha Chedeye	AERC	Programme Assistant	Kenya
93	Josefina Manuel	Symposia	Interpreter	Mozambique
94	Zeferino Fanequico	Symposia	Interpreter	Mozambique
95	Afnoso Muchanga	Symposia	Interpreter	Mozambique
96	Jorge Mbaze	Symposia	Interpreter	Mozambique
97	Angelo Tembo	Symposia	Technician	Mozambique
98	Jonas Machara	Symposia	Technician	Mozambique
99	Solomon Kitaka	Reeve Technologies	Multimedia	Kenya
100	Benson Guantai	Reeve Technologies	Multimedia	Kenya
101	Joyce Kabui	Reeve Technologies	Multimedia	Kenya
102	Stephen Paul Njenga	Reeve Technologies	Multimedia	Kenya

ANNEX 2

Seminar Programme

Wednesday, 25 March 2015

16:00–18.30:00 Hrs **Registration**

Thursday, 26 March 2015

08.30 – 08.55 **Registration**

09:00 –10:30 **Official Opening Session**

Session chair: **Hon. José C. Pacheco**, *Minister for Agriculture*

Introductory remarks: **Ernesto Gove**, *Governor, Central Bank of Mozambique*

Welcome remarks: **Lemma Senbet**, *Executive Director, African Economic Research Consortium (AERC)*

Opening remarks: **Stanlake Samkange**, *Director, Policy and Programme, World Food Programme (WFP)*

Keynote address: **Shenggen Fan**, *Director General, International Food Policy Research Institute (IFPRI)*

10:30 –11.00 *Tea/Coffee Break*

11:00 –12:30 **Session 1: Policy Constraints in Smallholder Agri-Food Production and Trade in Africa**

Session chair: **Hon John Mutorwa**, *Minister for Agriculture, Namibia*

Presenter: **Augustine S. Langyintuo**, *The World Bank, Kenya*

Discussant: **Raimundo Matule**, *Director of Agricultural Economics, Ministry of Agriculture and Food Security, Mozambique*

Floor Discussion

12:30 –14:00 *Lunch Break*

14:00 –15:30 **Session 2: Institutional Innovations for Agricultural Transformation in Africa**

Session chair: **Ms. Charity Dhilwayo**, *Deputy Governor, Reserve Bank of Zimbabwe*

Presenter: **Suresh Babu**, *International Food Policy Research Institute (IFPRI)*

Discussant: **Bourdanne**, *Cameroon Agricultural Competitiveness Project*

Floor Discussion

15:30 –17:00 **Session 3: Improving Smallholder Farmer Productivity and Wellbeing through Guaranteed Market: The Case of P4P in Ghana.**

Session chair: **Caleb Fundanga**, *Executive Director, MEFMI, Former Governor, Bank of Zambia*

Presenter: **Wisdom Akupalu**, *(UNU-WIDER) & University of Ghana,*

Discussant: **Rodney Lunduka**, *CIMMYT, Zimbabwe*

Floor Discussion

17:00 –17:30 *Tea/Coffee Break*

19:00 – 20:00 *Cocktail Reception*

Friday, 27 March 2015

09:00 –10:30 **Session 4: Inclusive and Sustainable Commodity Development: The Case of Smallholder Farmers**

Session chair: **Ken Davies**, *Global Coordinator, Purchase for Progress (P4P), (WFP)*

Presenter: **Janvier Nkurunziza**, *UNCTAD*

Discussant: **Adam Mugume**, *Executive Director, Research and Policy, Central Bank of Uganda*

Floor Discussion

10:30 –11.00 *Tea/Coffee Break*

11:00 –13:00 **Sessions 5: Policy Roundtable**

Session chair: **Hon. Fidelis Molao**, *Assistant Minister for Agriculture, Botswana*

Panellists:

- **Hon. Paddy Zhanda**, *Deputy Minister, Ministry of Agriculture, Zimbabwe*
- **Njuguna Ndung'u**, *Former Governor, Central Bank of Kenya*
- **Adolf Mkenda**, *Deputy Permanent Secretary, Ministry of Finance, Tanzania*
- **Ms. Lethusang V. Hanyane**, *Permanent Secretary, Ministry of Agriculture & Food Security, Lesotho.*
- **Stanlake Samkange**, *Director, Policy and Programme, World Food Programme (WFP)*
- **Bojang Sheriffo**, *Permanent Secretary, Ministry of Agriculture, The Gambia*
- **John Pangech**, *Director General, Ministry of Agriculture, South Sudan*

13:00 – 13:10 *Vote of Thanks - Director of Research, AERC*

13:10 –14:00 *Lunch Break*

