

Panafrican farmers' organization Organisation panafricaine des agriculteurs المنظمة الإفريقية للفلاحين

CALL FOR ACTION BY PANAFRICAN FARMERS ORGANISATION (PAFO) AT THE 5TH AFRICAN UNION (AU) – EUROPEAN UNION (EU) AGRICULTURE MINISTERIAL CONFERENCE

Rome, 30 June 2023





INTRODUCTION

The Panafrican Farmers Organisation (PAFO) is the voice of African farmers with a membership of over 80 million farmers across Africa, united in five regional networks consisting of 73 national farmers organisations in 48 African countries. It has convening power and ability to facilitate dialogue and cooperation with various continental and international institutions, as well as with financial and technical partners. PAFO is recognized as a reliable and representative partner of African smallholder and family farmers, which provides common positions on issues dealing with agriculture and rural development in Africa.

PAFO recognizes that population growth and economic transformation are increasing the pressure on the agricultural ecosystem and the climate change continues to exacerbate these challenges. To achieve a true transformation of food systems in Africa, there is a growing need to think about food systems differently taking into account the true values and full costs involved in growing, distributing, consuming and trading food. This is essential not only for the food security of the African population but also for African economies and sustainable development on the continent.

It also notes that a wave of transformation is underway in Africa's agricultural sector and food systems, consisting of a move from subsistence-oriented agriculture to one that is more commercialized, profitably productive, and increasingly led by smallholder farmers and entrepreneurs. This comes at a time when food systems across the continent are responding to rapid urbanization, rising incomes, and changing nutrition. While this transition comes with its fair share of challenges, these dynamics are creating many new opportunities for growth and investment in Africa's food systems.

PAFO further appreciates that technical innovation will require national governments to increase their investments in programs that will promote inclusive transformation have previously been insufficient. A transformation of Africa's food systems will require coordinated policies, substantial investment by both governments and the private sector in order to build the capacity of national agricultural research, development, and extension systems to take the lead in research prioritization in accordance with national, regional, and continental priorities.

It acknowledges the progress that have been made through the various initiatives and programs implemented under the different declarations emanating from the previous four editions of the AU-EU Agriculture Ministerial Conferences which recalled the importance of the agricultural sector in fighting food and nutrition insecurity and ensuring the creation of decent jobs, in particular for youth and women in rural areas, and reaffirmed the commitment to implement the United Nations 2030 Agenda for Sustainable Development, the AU Agenda 2063 as well as the Paris Agreement.

THE CALL FOR ACTION

Based on the foregoing and the fact that the 5th AU-EU Agricultural Ministerial Conference will take stock of the achievements made from the last conference, PAFO feels that it is time to call for action in the implementation of a transformative programs and projects that will ensure the bold realisation of the aspirations of the African Union for the transformation of the agricultural sector as specified in the Comprehensive African Agricultural Development Programme (CAADP) which is one of the continental frameworks under the Agenda 2063 with the objective of helping African countries to eliminate hunger and reduce poverty by raising economic growth through agriculture-led development.

PAFO is, therefore, calling for concrete actions to be taken by the AU-EU Ministers during the deliberations at the 5th Ministerial Conference on 30 June 2023 in the following areas:

- Strong Partnership between Farmers Organisations and the Regional Institutions: There is the need for stronger partnership between Farmers Organisations (FOs) in Africa and international, and regional institutions such as the African Union and the European Union for the development of the Agricultural sector in Africa. PAFO therefore calls for action in building the capacity of the farmers and their organizations to enable them advocate for enabling environment that will facilitate agricultural development in Africa through the identifying of financing opportunities for FOs; supporting the restructuring and professionalization of FOs and strengthening the capacities of members to develop bankable and sustainable projects as well as policy dialogue around the issue of financing family farms.
- Mobilization of Required Financial Resources for the development of Agriculture: Transforming Africa's agriculture and food systems requires the mobilization of significant resources to match the challenges and risk profiles. Estimates of the direct funding needs of smallholder farmers has been estimated at US\$33 billion a year, of which only US\$4 billion is met by formal financial institutions and value chain actors, US\$1 billion by informal sources such as local credit cooperatives and money lenders, and a remaining US\$26 billion are met with resources from farmers and small and medium-sized enterprises (SMEs) or not at all (AfDB, 2013). Despite some progress, current available options for finance for smallholder-dominated agriculture in Africa are limited. Financial service providers need to overcome numerous challenges related to low population density, small transaction sizes, high levels of informality, unmitigated exposure to climatic and other production risks, and poorly integrated value chains. Therefore, we call for action by the AU-EU to support the establishment of an African agricultural development bank led by farmers' organizations that will be dedicated to the finance and investment in the agricultural value chains in Africa.



- **Commitment to agricultural finance in Africa:** Recognizing agriculture as a vital engine for jobs and economic growth, African governments first formally committed to spending 10 percent of national budgets on agriculture in the 2003 Maputo Declaration on Agriculture and Food Security. The AU's 2014 Malabo Declaration on Accelerated Agricultural Growth further re-committed to this target among a range of additional commitments to zero hunger and increased food security and nutrition on the continent. In 2021, the 3rd CAADP Biennial Review, which tracks progress on the Malabo commitments, reported that only four AU member states (Burundi, DR Congo, Ethiopia, and Mali) had met the commitment to spend 10 percent of their national budgets on agriculture. On average, most African governments spend less than 5 percent of their annual budgets on agriculture against a minimum commitment of 10 percent (African Union, 2022). Again, in January 2023, 34 African countries and development partners committed about \$30 billion to support food security and sovereignty in Africa through Country Food and Agriculture delivery compacts made during the Dakar 2 Summit organized by the AfDB and AU. PAFO calls for action by the Ministerial Conference to develop policy measures that will enable African governments the development partners to honour their commitments to deliver on the compacts for sustainable food security in Africa.
- Climate Adaptation and Mitigation for a resilient agriculture: The regularity and intensity of climate shocks in Africa has increased dramatically in recent times, leading to competition for resources among farmers and herders, resulting in conflicts between them, PAFO is calling for action by the AU-EU Agriculture Ministers Conference to support the establishment of a Panafrican Farmers Climate Action Program as a capacity building instrument for the mitigation of the devastating effects of the climate crisis including food insecurity, need to be front and centre when planning and implementing climate change adaptation solutions. It will also provide information on climate change finance sources and build the capacities of farmers organisations and their members on the access to climate finance. In addition, urgent progress is needed on the Global Goal on Adaptation (GGA). This includes the development of indicators, timeframes, and targets to specifically track progress on this goal. These reporting indicators must be designed through engagement with various agricultural stakeholders, including farmers organisations, so that they are fit for purpose and realistic.
- Preventing negative impacts of future global crisis on Africa's food security: Given that the 5th AU-EU Ministerial Conference will be devoted to stock taking on the achievements of the last conference in the light of recent developments of COVID-19 and the Russia-Ukraine crisis resulting in global food crisis, PAFO requests that concrete action should be made by the AU and the EU to ensure that adequate safety nets are developed in partnership with farmers organisations and their members to mitigate the negative impacts these events had on the African farmers and their households.

- Support for Agroecology and regenerative agricultural practices by farmers in Africa: Agroecology is gaining momentum and has become a movement that has the potential to help African farmers break out of the many crises arising from climate change. Support for this kind of agriculture is because the short-term, unambitious, and fragmented policies of the current industrial system marginalizes the world's majority food producers: smallholder farmers, indigenous peoples, particularly those practicing agroecology and experimenting with other innovative solutions. Their voices, rights, and participation remain far from the centre of decision-making, particularly at the national level, regional and continental levels. Policies to support and invest in agroecology and regenerative approaches are slow to advance, and investments in practice, enabling conditions, and supporting research are extremely low relative to the need. PAFO therefore calls for action to promote agroecology and regenerative approaches to ensure a systems approach that centres on a strong role for local institutions, communities, smallholder farmers, indigenous peoples, women and youths; policy coherence and coordinated governance; research mobilization; plus investment and funding for infrastructure (such as roads, schools, markets). This Call to Action speaks to the need to create an enabling environment that includes policy coherence, coordinated governance, and the adoption of innovative tools and approaches.
- Promotion of integrated Research to support agriculture development in Africa: There is a growing consensus on the need for more integrated research targeted at food systems, analyzing and exploring agroecology, circular bioeconomy, regenerative practices, healthy diets, just livelihoods, etc, and the interlinkages between them. Funding for these research priorities is not adequate for the understanding and support needed for the transformation of food systems in Africa. We therefore call for action by the AU-EU in mobilizing public and private investors for a multi-stakeholder funding of food and agricultural research for innovations in agricultural practices that will guarantee food and nutritional security in Africa.

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