



Concept Note for the Africa Food and Nutrition Security Day

"Investing in Intra-Africa Trade for Food and Nutrition Security"

30 October 2011







Africa Food and Nutrition Security Day Concept Note 2011

PREAMBLE / EXECUTIVE SUMMARY

The main purpose of this document is to advocate and sensitize Africa's Leaders about the essential role that Intra-African Trade can play in facilitating and sustaining Food and Nutrition Security and consequently the socio-economic development of the continent, in light of the upcoming Africa Food and Nutrition Security Day (AFNSD). It emphasizes the importance of food and nutrition policies, plans and programmes as well as the interrelationships between Trade and Food and Nutrition Security. The concept note describes plans for the continental commemoration of the Africa Food and Nutrition Security Day (AFNSD) with this year's theme being "Investing in Intra- African Trade for Food and Nutrition Security". It will also serve as a source of information and working document for programme managers, implementers and local organizing committees in the Ministries of Agriculture, Health, Trade and Industry, Education, Gender, Social Welfare and Protection, Science and Technology, Economic Development and Finance as well as Local Government Offices, all other Government Agencies, Private Sector Organizations, Development partners and CSOs involved in implementing the Africa Food and Nutrition Security Day (AFNSD). It provides concrete ideas and strategic actions that inform member states' commemoration of the AFNSD.

The concept note underscores the importance of Africa led and own solutions to the issue of food and nutrition security. Furthermore it highlights the critical role of women in agriculture, food and nutrition security on the continent.

BACKGROUND

Hunger and malnutrition are chronic and wide spread and currently Africa is home to about 240 million people who are under-nourished (i.e. consume less than 2,100 Kilocalories per day). Malnutrition is the major leading cause of death and disability. Every six seconds, a child dies of hunger and related causes. Over 50 million African children suffer from chronic malnutrition and 40 percent of women are malnourished. Sixty percent of children under-five years of age and 50 percent of maternal mortalities are due to malnutrition. Furthermore, a large proportion of Africa's population is not accessing adequate diets in the essential vitamins and minerals required for optimum health and productivity.

Hunger and malnutrition are both a cause and effect of poverty. Hungry children cannot grow and learn and hungry adults cannot be productive, thereby constraining economic growth. It is estimated that hunger leads to between 6–10 per cent in GDP losses due to low labor productivity. The causes of hunger and malnutrition are multiple, complex and interrelated, therefore they require multi-dimensional and multi-sectoral approaches to tackle them.







The World Bank estimates that malnourished children are at risk of losing more than 10% of their lifetime earning potential; while this is costing poor countries up to 3% of their yearly GDP.

As such, malnutrition is leading to a significant loss of both human and economic potential. To this end, improving nutrition status is a priority area needing urgent policy attention for accelerating socioeconomic progress and development in Africa.

Hunger is experienced in different forms; it may be chronic, acute or hidden. Chronic hunger is long-term deprivation that includes consumption below minimum requirements, particularly during the critical early period in life – from conception to up to 2 years of age (The first 1000 days of life). Acute hunger is experienced when shocks affect food supply. Hidden hunger refers to situations where people consume diets that are of inadequate quality, leading to micronutrient deficiencies.

Vitamin and mineral deficiencies (VMDs) constitute a major nutritional problem in Africa. Lack of iodine, vitamin A, iron, zinc and folic acid are five of the main VMDs of public health concern in Africa. VMDs cause birth defects, maternal deaths, childhood mortality, blindness, anemia and increased susceptibility to infections. VMDs also lower IQ, causing poor academic performance and reduced work productivity.

Ultimately, the damage of malnutrition significantly imperils progress of African communities and nations, reducing their economic productivity and growth. The cost of not addressing hunger and malnutrition can be substantial. For example, there is evidence in the region that productivity losses due to high level of iron-deficiency anemia for one year were estimated to be between 2.7 and 4.2 percent of GDP.

There is strong and overwhelming evidence on the grave consequences and high costs of nutritional deficiencies in the short-term on survival, growth and development and in the long-term on national social and economic development, nutrition has no clout. Despite the rhetoric about Food and Nutrition Security there has been limited commitment and action. As a result it remains a low priority on the national development agendas of many countries and has been poorly funded. This is reflected in the very limited progress seen towards MDG1 in Africa. Yet, benefits of investing in food and nutrition security are well known to be highly significant.

Food and Nutrition Security is the foundation of survival, health, as well as national economic growth and development and its implementation requires a multi-sectoral approach. Achieving nutrition and food security is a prerequisite to the achievement of all the MDGs. Thus investing in food and nutrition does make political, economic and social sense. Africa spends annually some US\$30 billion on imports of agricultural products, of which the bulk is food. This expenditure is a subset of total African staple food trade which current estimates suggest to be worth approximately \$50 billion annually; a level that is expected to exceed \$100 billion by 2020. If even a fraction of the expenditure on imports and food aid logistics were ploughed back into Africa's own production, the emerging internal trade could support a dynamic rural economy that could uplift millions out of poverty. Intra-African trade could thus be the true motor to release the developmental energy of agriculture to enhance food and nutrition security

Improving nutrition requires multiple channels, integrating contributions of the public and private sectors, to provide a strategic mix of food, health care, safe water and sanitation, education and other 'enablers' of good nutrition.





AFRICA'S RESPONSE

In response to the unacceptable hunger and malnutrition situation, African Heads of State and Governments adopted the Maputo Declaration in 2003 aimed at reducing hunger, poverty, and malnutrition on the Continent through the Comprehensive Africa Agriculture Development

Programme (CAADP). In April 2004, an all Africa Conference held in Kampala under the theme "Assuring Food and Nutrition Security in Africa by 2020: prioritizing actions, strengthening actors and facilitating partnerships" which among others proposed an annual Africa food and nutrition security day. This was building on work undertaken previously by the *Africa Task Force for Food and Nutrition Development*.

In December 2006, the Abuja Food Security Summit's resolutions and declarations committed stakeholders to end hunger and malnutrition. Furthermore, along the 15th AU summit held in Kampala, a side event was held under the theme "Africa must feed itself. No child should go to bed hungry. Reduce child stunting by 50 percent in the next five years and beyond" at which the African Food and Nutrition Security Day was adopted (Assembly/AU/Dec.327 (XV) by the Heads of States and Government. In October 2010 the African Food and Nutrition Day was launched in Malawi during the Conference of the African Ministers of Agriculture to be commemorated on 30th October annually. The African Ministers of Health further committed to the commemoration during the 5th Conference of African Health Ministers held in Windhoek, Namibia.

Following the launch, AU/NEPAD established a Steering committee chaired by AU supported by a task force/ technical committee of experts from across the continent, to provide overall guidance to the commemoration process to ensure that agreed upon activities are aligned with the objectives of the African Food and Nutrition Security Day as well as review progress on implementation.

This year, the African Union Commission proposes to celebrate The Africa Food and Nutrition Security Day under the theme "Investing in Intra-African Trade for Food and Nutrition Security" on October 30th, 2011. The theme was chosen given the focus of the 18th Summit of the AU (January or February 2012): "Boosting Intra-African Trade." .One African Member State will this year host the continental-level commemoration, while all other Member States undertake the national level activities.

WHY THE NEED FOR BOOSTING INTRA-AFRICA TRADE

Investing in intra-African trade, within the CAADP context, is a high-impact intervention needed to enhance agricultural transformation and achieve the Millennium Development Goals (MDGs) of Halving Hunger and Poverty by 2015 in Africa.

Agricultural trade is the backbone of economic growth and development which contributes to income growth more than any other sector especially to the majority of the poor and vulnerable people living in rural communities







In this regard, agricultural trade reduces overall poverty, hunger and malnutrition by raising food supply and their access through increased incomes. Research results from a large sample of countries over several decades show that a 1 percent increase in the growth rate of agricultural exports increases the overall rate of economic growth by 0.04 to 1.83 percent.

Findings from a NEPAD study in 2000 show that foreign demand for African commodities and the high value export is projected to grow significantly over the next 10 years. Demand in local and regional urban food markets across Africa is expected to jump from 50 billion USD to 150 billion USD during the same period. By 2030, farmers could derive potential income from these various markets totaling 4.5 billion USD from export markets and as much as 30 billion USD from domestic and cross-border markets. Tariff escalation of coffee is a case in point. Coffee farmers in 2004 received USD16billion whereas the total price the consumers paid is USD80billion.

The impact of agricultural trade on potential economic growth has not translated in a similar impact in improving nutritional status. Rates of food insecurity and malnutrition continue to increase amongst the vulnerable groups.

The loss of market share in regional and international markets imposes substantial costs on African economies in terms of missed growth. African countries cannot meet the growth and poverty-reduction objectives under the Comprehensive Africa Agriculture Development Program (CAADP), unless they improve their trade performance and reverse their decline in market shares.

Challenges

African countries have failed to successfully compete in domestic, regional and international markets due to a number of challenges, some of which are:

Lack of infrastructure and supporting processes which leads to high unit cost of supplying to regional and foreign markets;

In many African countries it has remained difficult and time consuming to establish businesses

The contribution of women is not adequately recognized in the economy. When women grow fruit and vegetables it is called kitchen gardens, but when men grow the same produce they are valued for trade.

Trade barriers

Lack of agro-industrial capacities to adjust the supply of agricultural commodities to changing consumer tastes and preferences,

lack of access to finance amongst farmers agri-businesses and small-scale processors Lack of laboratory facilities (equipment and consumables) and analytical skills

Inadequate product quality standards which are not harmonised, quality control, and labelling

Lack of market information systems

Policy and administrative barriers as well as tariffs on African exporters and subsidized export.

In addition, it is crucial for African countries to step up efforts to prioritize the harmonization of sanitary and phyto sanitary (SPS) frameworks. Given the dominance of agriculture as an economic sector in Africa, lack of common SPS principles is seriously hindering regional / intra-African trade and integration. Currently, SPS constitutes the single most important non-tariff







barrier affecting cross-border movements of agro-products. There are very distinct national systems in the SPS field, with very little uniformity in legislation or controls among Member States in Africa. Trades in live animals and food products are subject to varying controls, inspections and enforcement usually involving costly checks at national borders and certification from official authorities. This is negatively impacting businesses. For instance, it has been estimated that in some countries, the average import procedure may take up to 124 days, compared to 12 days on average in an OECD country. Some African countries even find it easier to export to Europe, than to trade among them. Africa has not succeeded in the past in facilitating intra-Africa trade because there was no African-owned guiding framework which resulted in ad hoc trade activities.

The CAADP provides an African owned framework which seeks to enhance the African commitment and action to:

- i) raise the competitiveness and seizing opportunities in the domestic, regional and international market;
- ii) invest in the commercial and trade infrastructure to lower the cost of supply to national, regional and international market and
- iii) strengthen the commercial and technical capacities of small-scale processors and traders, farmers organizations and trade associations;
- iv) Support rural women to farm more productively to improve household nutrition while contributing to trade.
- v) Promote strategic partnerships beyond the national boundaries where the public-private partnerships and linkages between various actors of the value chain in order to capture economies of scale and complementarities of diverse resource endowments.

By exploring comparative and competitive advantages for their strategic commodities through such strategic partnerships, countries can acquire and maintain competitive edges to ensure access to national, regional, and international markets and meet the increasing demand of high-value food commodities.

As highlighted in the 2009 United Nations Economic Commission for Africa Economic Report on Africa, African agriculture must be developed through intra African trade given the potentials that an approach offers for:

Poverty reduction and rural income generation through increased crop, livestock and fish productivity and production, improved food availability, accessibility, utilization and stability;

Sustained supply of diverse foods at affordable competitive prices for African consumers;

Maximization of returns on capital investments;

Strengthening sector and regional complementarities; and

Rapidly meeting the food and nutrition needs of vulnerable population groups in times of economic shocks through regional food reserves, strengthening of the African Risk Management Capacity and the effective movement of food from surplus to deficit areas.





OBJECTIVES OF THE CONTINENTAL COMMEMORATION OF THE AFRICA FOOD AND NUTRITION SECURITY DAY

The overall theme of the Africa Food and Nutrition Security Day is "Investing in Intra-African Trade for Food and Nutrition Security". This theme is linked to five major sub themes which relate to AU-NEPAD's food and nutrition flagship programmes, namely the food safety nets such as school meals/school feeding, food fortification and other programmes to reduce vitamin and mineral deficiencies, dietary diversity, programmes targeting women and children's' health and nutrition and the interrelationship between trade and food and nutrition security. The overall objective of the 2011 AFNSD is to provide a stakeholders' platform and leadership at all levels, to enable discussions between governments, civil society, the private sector, the scientific community, farmers and development partners on the importance of Intra-Africa Trade in facilitating Food and Nutrition Security.

SPECIFIC OBJECTIVES INCLUDE:

Create widespread awareness on the importance of investing in Intra-African Trade of strategic food and agricultural commodities in order to promote food and nutrition security on the Continent as well as the resulting effect on social and economic growth;

Underscore the policy, regulatory and investment requisites for promoting and developing intra-African trade in strategic food and agricultural commodities, with an emphasis on expediting the implementation of the country agricultural and trade investment plans which include infrastructure development, institutional and legal frameworks, harmonization of production and quality standards on the free movement of people and goods.

Facilitate a principled dialogue between a diversity of high level national stakeholders as well as other state and non-state actors (including farmers' organizations, private business entities and Africa's academic and research institutions) in deliberating on an action plan for developing Intra-African Trade/ Common Markets for Strategic Commodities within the context of the Regional Value Chain Approach;

Share best practices, innovations, challenges, and constraints in coordination between various actors and sectors (creation of vertical and horizontal linkages);

Create awareness of trade opportunities for local and African traditional foods and their importance in facilitating food and nutrition security through increasing dietary diversification:

Enhancing market access and trade opportunities by promoting production and consumption of high quality food such as fortified foods with Micronutrients, diverse nutrient dense vegetables and fruits and animal source foods;

Disseminate evidence of progress and facilitate the scale up of home grown school feeding and its role in enhancing local production and markets;







Promote the prioritization of sustainable access to evidence-based essential integrated maternal and child nutrition interventions through a multi-sectoral approach.

ACTIONS

The main purpose of the AFNSD is to serve as a rallying point in intensifying commitments at all levels and all times to address the challenges of food and nutrition insecurity and malnutrition. The AFNSD provides a platform at national, regional and continental levels to share experiences, knowledge and mutual learning as well as measure progress in assuring food and nutrition security for all by Governments and multi-stakeholder partners. Following the endorsement of the AFNSD, it is time to move from business as usual to undertake sustained and effective action to end hunger and malnutrition on the continent. We need to build on the political will to advocate for and stimulate better and coherent planning and implementation of proven strategies and interventions in food and nutrition security in all African Union member states.

The actions referred to, are for operationalising the theme of the Africa Food and Nutrition and Security Day. In light of the 4 thematic areas, this calls upon Member States and the Regions to take specific actions in order to improve Food and Nutrition Security in the context of intra-African trade.

1. To increase the volume of local production of high value and nutritious foods through:

Improved access to finance and the cost-effectiveness of technologies Scaling-up water for production (irrigation, livestock and fish farming) to increase off-season production, increased productivity and reduced variability in production Promotion of private-public partnerships and business-to-business alliances for value-chain enhancements

Formulation of deliberate policies that will promote purchase of local foods ('Buy Africa')

Building technical and technological capacity of small-scale producers, traders and processors and linking them to markets, e.g. Purchase for Progress(PP), home-grown school feeding, etc (more input)

Establishing cross-disciplinary programmes for extension workers to effectively translate the linkages between sectors and focus on trade for food and nutrition security

Establishing an insurance system, safety nets or to support the small farmers in times of emergencies to ensure sustainability.

2. To enhance national and regional markets and cross-border trade through:

The modernization and harmonization of standards, norms and grades across national and regional markets

Promotion of modern trading systems including the devolvement of regional and national commodity exchanges







Removing policies and administrative policy barriers to trade like tax exemption for high nutritional value foods.

Establishing institutional regulatory and policy framework that will facilitate trade policy surveillance and promote cross-border commodity movement

Providing quality management and certification services through development of systems for managing quality and certification of products to facilitate compliance with national, regional and international trade Agreements, and overcome any technical barriers affecting inter-Africa trade especially for high nutritional value food.

Strengthening/building capacity in advocacy and negotiation skills to better articulate African interests in bilateral and multilateral trade negotiations in order to remove foreign policy distortions that limit market access to nutritious high value foods as a business opportunity

Prioritising the production and marketing of horticultural products

3. To Enhance Regional and Local Emergency Response and Capacity to avoid destruction of the systems and the gains achieved by communities, countries and regions by

Establishing strategic regional food commodity reserves which are regionally produced and procured

Establishing a contingency fund for the procurement of high nutritious foods for emergency response.

4. To Step Up Efforts to Prioritize the Harmonization of Sanitary and Phyto Sanitary Frameworks by

Using the Africa Food & Nutrition Security Day as an opportunity to sensitize AU Member States not only on issues of food and nutrition insecurity but also to ensure SPS is prioritized in CAADP compacts and investment plans. This would entail a Farm-to-Table approach, emphasizing aspects from agricultural production to distribution (processing, storage, certification laboratories, transport, and border inspection controls, etc).

CONCLUSION

The commemoration of the Africa Food and Nutrition Security Day is aimed at bringing attention and commitment to food and nutrition at the highest level. It will provide a platform and leadership for sharing research results, experiences/best practices, lessons learnt and knowledge arising from actions taken to concretize the above recommendations. Lessons learnt in enhancing food production and value addition on the continent of Africa will similarly be shared among stakeholders during this Day. It is expected that countries will organize events addressing this year's theme and sub-themes. A guideline of activities has been provided but countries should feel free to initiate their own activities so long as they conform to the theme.

