



Continental Agribusiness Strategy Driving Africa's Growth

Background and objectives

The potential contribution of Africa's agriculture to food & nutrition security, employment, household incomes, poverty reduction and economic growth is well documented. However, that contribution will remain stifled if Africa remains a primary producer, incapable of engaging in value addition and commerce in agricultural output. The objective of the Continental Agribusiness Strategy is to mobilise the AU, RECs, Member States, farmer organizations, private sector, development partners and other actors around a set of high priority strategies designed to support the growth of a modern, robust and inclusive private sector-led African agribusiness. If the objectives of this strategy are met, then the important goals in the Malabo Declaration, including boosting intra-African trade, will receive significant impetus.

Whereas the strategic thrusts identified by the continental agribusiness strategy will be the foundation for vibrant agribusiness and agritrade promotion in Africa, the strategy builds on existing initiatives at continental, regional and national levels. Further, the continental agribusiness strategy seeks to improve coordination, mobilization, advocacy, and communication among various actors in the agribusiness landscape in Africa by proposing key institutional developments.

This summary paper highlights the main areas covered by the draft Continental Agribusiness Strategy

Vision and mission

The vision of the Continental Agribusiness Strategy is a ***“dynamic, inclusive agribusiness sector that adds value to primary produce, generates employment and income, contributes to economic growth and reduction of food dependency in Africa.”***

The mission is: ***“to enable the creation of a conducive environment for increased private sector investment and business in Africa's agriculture”***

Guiding Principles

African agribusiness development shall be guided by seven principles, inspired by the Malabo Declaration and derived from experiences gained, so far, in the implementation of CAADP at national, regional and continental levels. These are summarized:

- 1) Recognize Africa's realities and defend her interests and positions.

- 2) Pursue private sector led and market-oriented agricultural development
- 3) Pursue and promote inclusive, equitable and broad-based agribusiness.
- 4) Expand domestic resource mobilization
- 5) Focus on environmentally responsible investments.
- 6) Support regional integration.
- 7) Subsidiarity: observe and respect institutional mandates

Strategic Pillars

Seven strategic action areas have been identified to drive this strategy (sample action areas and activities are annexed).

- 1) **Pillar 1: Enabling policy:** Creating the right policy environment for agribusiness to take root and flourish
- 2) **Pillar 2: Monitoring & reporting progress:** tracking progress and learning while doing
- 3) **Pillar 3: Strategic research and knowledge management:** Providing cutting edge research support to make African agricultural products competitive and relevant.
- 4) **Pillar 4: Facilitating partnerships:** Supporting, in particular, the modelling of innovative public-private-producer-partnerships that are critical for mainstreaming smallholder production into competitive value chains.
- 5) **Pillar 5: Building systemic capacity:** Building human, institutional and other capacities that are necessary to develop modern agribusiness.
- 6) **Pillar 6: Innovative Financing:** supporting financial innovations that increase the inflow of capital, from both domestic and foreign sources into African agricultural value chains

Integrating youth and gender into African Agribusiness

Whereas women and youth are the majority of primary producers of food, they are not adequately involved in high value agribusiness activities including processing, marketing, export trade and other value addition. This skewed participation limits the overall potential of African agribusiness as it creates disincentives for higher productivity. The strategy focuses on women and youth in several significant ways:

- 1) Improving financial inclusion for women and youth
- 2) Increasing access of women and young people to key agricultural markets
- 3) Training, mentoring, incubating and coaching the next generation of businesspeople and agribusinesses

Implementing the strategy: Roles and responsibilities

The implementation of this strategy is a responsibility of all actors in Africa's agribusiness. However, it is envisaged that AU organs, the AUC and NPCA will be the primary drivers of its implementation at the continental level, offering technical leadership and coordination support. Further, it is expected that RECS will play the leading role in overseeing implementation at regional level while Member States, acting through the NAIPs will manage country-level implementation. The strategy proposes the establishment of African (continental) and National Agribusiness Chambers to mobilise private sector businesspeople involved in agribusiness. The strategy also provides for Monitoring and Evaluation of its implementation within the context of CAADP biennial reporting systems

Annex 1: summary of detailed priority action timelines and implementation responsibilities

Priority Actions	Timeline for implementation	Lead institution)	Other collaborating & contributing institutions
Advocate policy reform to create an enabling environment for agribusiness (policy should target objectives such as youth agribusiness and access to long term capital and concessional funding)	> 5 years	AU	RECs, UN agencies, Farmers organizations, Private sector, CSOs specifically youth groups
Prioritize/Strengthen women and youth in agribusiness programming in existing and next generation NAIPS and RAIPS	3 to 5 years	RECs & MS	Technical institutions, UN agencies, Farmers networks, Public and Private agribusiness, academia
High-level engagement of financial, banking and insurance institutions for development of substantive innovative financing packages focusing on women and youth	1 to 2 years	AUC/NPCA	RECs, UN agencies, ADB
Strengthen data systems and knowledge management to ensure that the agribusiness component is captured in CAADP mutual accountability mechanisms/ biennial reporting	1 to 2years	AUC/NPCA	M/S, RECs, NSOs, Research Institutions
Establish simplified trade regimes targeted at women and youth at continental level	3 to 5years	AUC/NPCA	RECs, UN agencies, CSOs
Build and strengthen the capacity of domestic private sector institutions to drive and facilitate the transformation of African Agribusiness	6 months	AUC/NPCA/RECs/ MS	Domestic Private Sector, other partners
Map of stakeholders and agribusiness actors, and identify success stories, innovative models to be up-scaled and replicated	6 – 12 months	AUC, Domestic Private Sector, Govt	NEPAD, RECs, other partners
Build the capacity of value chain actors for research, technology, innovations, ICT applications, mechanization for enhanced agribusiness operations and increase opportunities for women and youth	12 months – continuous	AUC, Domestic Private Sector, Govt.	NEPAD, RECs, other partners
Build and strengthen information and knowledge management systems for learning and sharing as well as enhanced policy advocacy	12 months – continuous	AUC, Domestic Private Sector, Govt.	NEPAD, RECs, other Partners

Priority Actions	Timeline for implementation	Lead institution)	Other collaborating & contributing institutions
Build and strengthen practical, education curricula and engagement of African universities and tertiary institutions in agribusiness development	12 months – continuous	AUC, Domestic Private Sector, Govt., Universities, Tertiary Institutions	RECs, other partners
Document, share and scaling up innovative PPP models (including private-private models)	6 months +	AUC/NPCA/ Private sector	RECs, FARA, SROs, AGRF, PanAAC, Knowledge Institutions and others
scale up inclusive incubation models (e.g. FARA's UniBRAIN)	6 months+	FARA/AAIN	SROs, PanAAC, ANAFE and others
Develop and facilitate innovative financing for domestic capital mobilization	6 months – continuous	AfDB, AU, Domestic Private Sector, Govt	Leading Commercial Banks (Equity, Ecobank, Stanbic, Rabobank,etc) and other Commercial Banks, AFRACA, CENTRAL BANKS, IFAD and others
Monitoring, evaluation and reporting, and score card	Short term	ReSAKSS	Knowledge Institutions