

**REPUBLIC OF UGANDA** 

#### **STATEMENT**

#### BY

## HON. JOHN MULIMBA MINISTER OF STATE FOR FOREIGN AFFAIRS/REGIONAL AFFAIRS

### AT THE

### EXTRA-ORDINARY AFRICAN UNION SUMMIT ON THE POST-MALABO CAADP,

# JOINT MINISTERIAL SESSION: MINISTERS OF FOREIGN AFFAIRS & MINISTERS OF AGRICULTURE

THURSDAY, 10<sup>TH</sup> JANUARY 2025

SPEKE RESORT, MUNYONYO

Your Excellency Jessica Alupo, Vice President of the Republic of Uganda

Your Excellencies, Colleague Ministers,

Your Excellencies, Commissioner Josefa Saacko,

Your Excellencies; Ambassadors, High Commissioners and distinguished delegates,

- 1. I join my colleague, Hon. Frank Tumwebaze Minister of Agriculture, Animal Industry and Fisheries in welcoming you to Uganda, and also to express our deepest gratitude to you for honoring Uganda with the opportunity to host this Extra-Ordinary Summit.
- 2. This meeting affords us the platform to contemplate on the last ten years of the Post Malabo CAADP Agenda with the view to reflecting on the extent to which its objectives have been achieved. The assessment over the past ten years has been sobering. Many of us have fallen short of the ambition of investing atleast 10% of our national budgets to Agriculture and rural development.
- 3. The draft Strategy and Action Plan for the period 2026-2035, therefore, gives us the opportunity to re-imagine, in an ambitious manner, the next ten years in such a way as to avoid the pitfalls of the past, and create the opportunities for the Africa we want. It will be necessary to employ determined efforts to ensure the implementation of the Kampala outcomes.

Your Excellencies,

4. 70% of Africa's population is engaged in agriculture for subsistence and livelihood purposes. 65% of all the uncultivated arable land left in the world lies in Africa. But yet Africa is a net

food importer and suffers from high food insecurity. In 2021, African countries spent almost USD 68 billion on importing agricultural products. The food and Agri-business sector, is projected to grow from USD 330 Bn to One Trillion USD by 2030. We therefore need to engage in production, at scale, not only to address issues of food security, but also to leverage the AfCFTA in promoting intra- African trade.

5. In our view, Agriculture, holds the key to accelerated sustainable and inclusive growth and development. Evidence suggests that in Africa, for every 10% increase in crop yields, it generates an estimated 7% reduction in poverty, higher than Asia's 5% rate. Neither the manufacturing nor service sectors can produce such an equivalent impact. According to the African Development Bank, there is no region of the world that has ever industrialized without the agricultural sector being transformed first. However, one of the main challenges to Africa's structural transformation is the continued export of unprocessed products.

Your Excellencies,

- 6. I wish to recall that Africa accounts for approximately 75% of the world's cocoa production, with 65% of this being produced in Côte d'Ivoire and Ghana, but the continent is a price taker. It is estimated that by 2025, the global chocolate market will be valued at approximately USD 186 billion, up from USD139 billion in 2019. Out of this, however, Africa only receives less than 8% of the global annual chocolate revenues.
- 7. Currently the global value of coffee businesses is about USD 460 billion. Out of this, all the coffee producing countries in the World, only take USD 25 billion. Africa's share is USD 2.4 billion, with Uganda taking 1.14 billion USD in 2024. Germany on the other hand, on account of value addition, earns USD 6.85 billion from coffee, more than all the African coffee producing countries. This pattern is the same for other

commodities in which Africa is a major producer. The UNECA predicts that by transforming Africa's mineral export volume by just 5% before export; it can create 5 million jobs a year.

Your Excellencies,

8. This therefore means that Africa's structural transformation must be driven by a manufacturing sector that will add value to her primary products before exporting them to international markets. This industrial drive ought to lay special emphasis on Agro-processed products and value addition to minerals. In so doing, we would be able to not only create the necessary jobs on the continent, that many of our young men and women are looking for across the seas; but we would also be able get more value for our products to be able to power and structurally transform our economies. This will, will re-orient our people away from the Politics of Identity to the Politics of Interests thereby addressing one of the root causes and structural drivers of conflict on the continent. This is the intersection between peace, security, stability and development.

Your Excellencies,

- 9. In closing, we wish to propose the following for reflection:
  - There is need for significant investments in raising agricultural productivity, provision of affordable finance, and incentives for the private sector to establish food processing and agro-allied industries in rural areas;
  - (ii) There is need to promote the development of rural and market infrastructure, including appropriate structures to reduce post-harvest losses. Sub-Saharan Africa loses upto USD 48 billion annually from food that is wasted postharvest because of poor roads, inadequate storage and poor access to markets.

- (iii) There is need to improve weather information and its dissemination and intensify environmental control measures to halt the decline in soil fertility.
- (iv) There is need to strengthen cooperatives in order to build capacity of farmers in management, entrepreneurship and group dynamics. This will enable them engage in value chain activities especially collective marketing.

I thank you.