

SUSTAINING CAADP MOMENTUM -AGRICULTURE FINANCE AND TRADE

2ND CONTINENTAL BRIEFING : INCLUSIVE FINANCIAL MODELS FOR FARMERS
Nairobi 13-14TH July, 2014

NEPAD Planning and Coordinating Agency



What kind of Agriculture ...

Agricultural Growth - motivated and driven by

- ✓ **Business Sense**
- ✓ **About wealth creation**
- ✓ **Responsible Investments**

... therefore, new /unusual opportunities in CAADP

- Will require an open minded Human Capital Development
- Growing domestic private sector (across the agriculture value chain)
- Agribusiness; Financing; Agro-industry



The Sustaining CAADP Momentum and the RF

- Positioning ‘wealth creation’ as primary driver for agric growth (Jobs & Incomes, markets)
- Production – value addition (Agro-industry)
- Increase volumes and quality of investment financing (public and private)
- A regional and inter-regional trade agenda - essential
- Central role of smallholder farmers / family farms and rural areas



CAADP ... making a difference on two impact areas ...

Agriculture Transformation; capacity & enabling environment

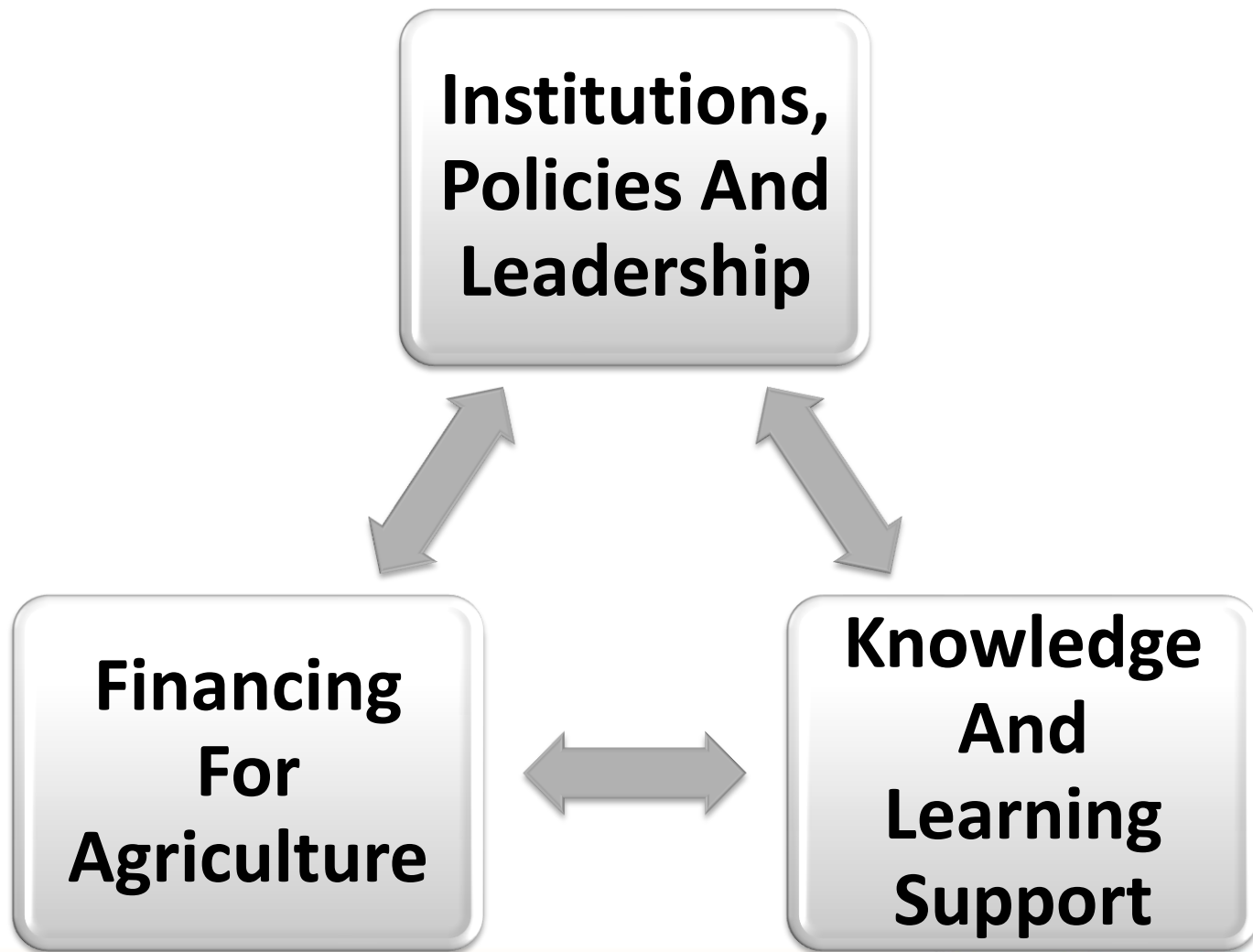
- ✍ **Planning capacity** (evidence-based; inclusive; predictable & accountable)
- ✍ **Policy environment:** Accountable; inclusive, informed policy design processes; elevating interests of the “masses” in public policy
- ✍ **Institutional and skills development** (capacity for effective and efficient execution & delivery; Partnerships)
- ✍ **Critical mass of resolute, decisive & accountable leadership; Governance**
- ✍ **Expand investment financing** (public and private)

Productivity, Production & wealth creation

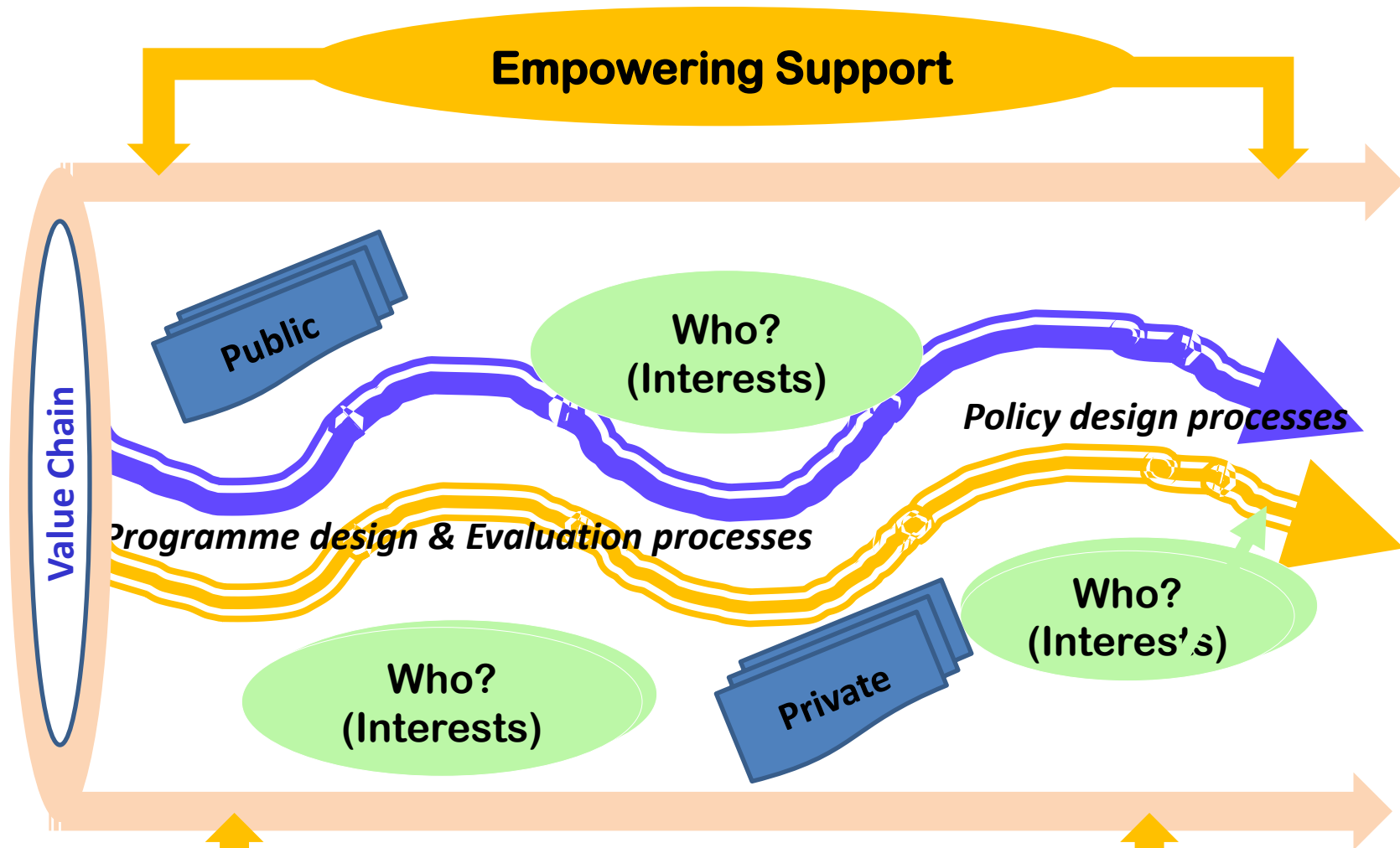
- ✍ **Productivity** – Intensification; science and technology; strategic commodities including livestock & fish
- ✍ **Competitive and viable agriculture** including **value addition** (agro-industry and commerce)
- ✍ **Aligning with ecosystem potential and resilience and sustainability objectives**



Sustaining CAADP Momentum- *Strategic Thrusts for Response*



Catalysing Business ...



NAIPs – to empower for business

- ✓ **Training (Skills; technological; management)**
- ✓ **Access to factor of Production (land; inputs)**
- ✓ **Markets and trade (regulatory frameworks; Infrastructure; monetary and fiscal tools)**
- ✓ **Evidence (technical and political economy)**
- ✓ **Common Vision and agenda**



NAIPs – to enable for business

- ✓ **Organizational development (e.g. commodity associations; schemes)**
- ✓ **Planning & decision making processes**
- ✓ **Technologies (including after-sell-service)**
- ✓ **Commence and financial services**
- ✓ **Trust and “neutral” platforms for negotiation; learning; etc...**



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- ✓ **Working with Public, private sector and other partners to unlock resources but also ensure that they translate to tangible results**
 - ☑ **models for public private partnerships to harness private sector (external as well as domestic)**
 - ☑ **Levelling the playing field for both domestic and external investors**
 - ☑ **Access to inputs to for improved production and productivity to reduce risk of financing**



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Working with governments to advocate for increase in public investment to stimulate and catalyse private sector financing

- **Advocating for multi-sectorialism especially with infrastructure for agriculture development through Rural Futures Program**
- **Adopting risk mitigating policies, by supporting legislative policies and instruments for Agriculture Development Banks in member states to re-focus on the lending to the agriculture sector in Africa**
- **Ensuring policy coherence by mainstreaming climate change adaptation and risk management strategies into National and Regional Agriculture and Food Security Investment Plans and through a Continental Framework on Integrated Risk Management in Agriculture**



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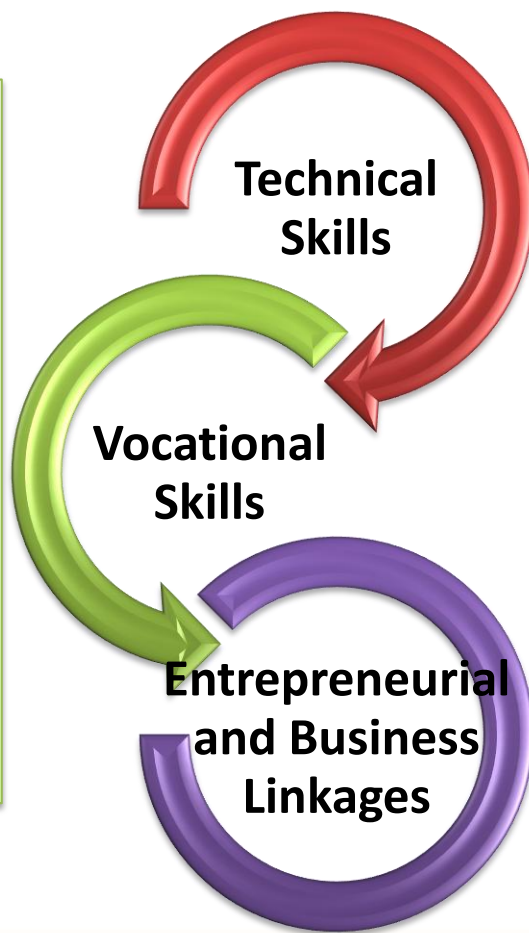
- ✓ **Specifically – With RFOs to explore how to support and facilitate**
 - ☑ **organizational development at farm/practitioner level**
 - ☑ **Formation of Commodity Association and Cooperatives**
 - ☑ **Promotion of SMEs level agro-processing/agro-industry including transport and ICT**
 - ☑ **- RFOs to set up and connect trans- boundary private sector led partnership across trans-national commodity associations**



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Building Capacity of Farmers and Youth

- Self Image as Farmers
- Production Planning
- Financial Management
- Savings and Bankability
- Basic Farming Economics



- Good Agriculture Practices
- Quality and Standards
- Investment Inputs
- Market Information and Access

- Entrepreneurship Training
- Business Organizations
- Human Capacity Development (HCD)
- Contract Farming and Management
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