

# JOHANNESBURG DECLARATION ON ENGAGING THE PRIVATE SECTOR IN FURTHERING AFRICA'S AGRIBUSINESS, FOOD SECURITY AND NUTRITION AGENDA

19 OCTOBER 2011

This Declaration was adopted at the High Level Public Private Dialogue (PPD), facilitated by the UNDP, on Engaging the Private Sector in Furthering Africa's Agribusiness and Food Security Agenda on 19 October 2011 in Johannesburg, South Africa. The following organisations participated and supported the PPD:



**WE**, the African Ministers of Agriculture, Representatives and Stakeholders of Africa's Private Sector, Civil Society and Development Partners assembled for the High-Level Public Private Dialogue on Inclusive Growth in the Agri-Food Sector during the AgriBusiness Forum 2011 in Johannesburg, South Africa, this day 19<sup>th</sup> October 2011;

**ACKNOWLEDGING** our appreciation to the Government and People of South Africa for supporting the 2011 AgriBusiness Forum, which has offered us an opportunity to recommit ourselves to Africa's agricultural development, nutrition and food security agenda and to rededicate ourselves to the achievement of inclusive economic growth, continental food security, and sustainable job creation;

**RECOGNISING** the importance that has been placed on agriculture as a development catalyst on the African continent towards achievement of the Millennium Development Goals, in the founding Declaration of the New Partnership for Africa's Development (NEPAD), in the Comprehensive African Agriculture Development Programme (CAADP), and within newer pan-African agricultural platforms, such as the Pan-African Agribusiness and Agroindustry Consortium (PanAAC) and the NEPAD Business Foundation, through the promotion of increased public and private collaboration within the African agribusiness sector;

**RECALLING** the related commitments made by African Heads of State:

1. in the 2003 Maputo Declaration calling for 10% of public expenditure on agricultural and rural development;
2. in the 2004 Sirte Declaration on "The Challenges of Implementing Integrated and Sustainable Development of Agriculture and Water in Africa" to promote and develop the key agriculture sector;
3. at the June 2006 Abuja Summit to Accelerate the Dissemination of Fertilizer to Africa's Farmers and to develop a Green Revolution in Africa;
4. at the December 2006 Abuja Summit on Food Security to foster increased intra-African trade by promoting and protecting strategic commodities at the sub-regional and continental levels;
5. at the 2007 African Union Summit on the Plan of Action for the Accelerated Industrial Development of Africa which identifies agriculture as a key sector within which to promote value added production on the continent;
6. at the 2009 Sirte Summit on Agriculture for Economic Growth and Food Security to facilitate the creation of agricultural investment and enterprise development platforms in member states and to organize agribusiness joint venture fairs to promote public-private partnership; and
7. at the 2011 Addis Ababa Summit which endorsed the recommendations of the 2010 Abuja High Level Conference for the Development of Agribusiness and Agro-Industries in Africa (HLCD-3A) and of the African Agribusiness and Agro-industries Development initiative (3ADI) to mobilize increased private sector capital for agribusiness development and to promote value chain development in Africa;

**MINDFUL** of the resolve taken by the members of the G8 Countries during their 2009 Summit in L'Aquila, Italy to develop the \$20 billion L'Aquila Food Security Initiative to take decisive action to free humankind from hunger and poverty through improved food security, nutrition, and sustainable agriculture;

**AWARE** that further engagement with and support of the private sector, especially Africa's agribusiness and agricultural corporate community, is needed to successfully implement the abovementioned public sector commitments and initiatives;

**CONSCIOUS** of the on-going food crisis which has been characterised by a continued rise in food prices, combined with intermittent food shortages, and climate change effects that reduce food security and results in increased malnutrition - as currently manifested in drought in various parts of Africa, and famine in the Horn of Africa;

**NOTING** the increasing efforts of private agribusiness companies in Africa to work with small holder farmers and expand their backward and forward linkages within national, regional and international value chains;

**ACKNOWLEDGING** Africa's increasing urbanisation, rapid economic growth, the fact that the continent accounts for more than forty percent of the world's available arable land, increasing global food security concerns, increasing global food demand, and noting that these factors have spurred increased private investment interest in Africa's agriculture sector;

**REALISING** that a historically unique opportunity exists to align the agricultural development agenda of the African Union and its member states, with the business expansion and market based opportunities that are increasingly being pursued by the private sector in Africa, including targeted public-private sector collaboration to help improve nutrition amongst the most vulnerable and to reduce structural deficiencies in Africa's food systems;

**UNDERSTANDING** that women and youth in Africa are critical role players within the entire agricultural value chain and must be key participants within sustainable agriculture and/or agribusiness development programmes;

**COGNIZANT** of the fact that land tenure, administration and allocation remain sensitive political issues in most parts of Africa and will require extended attention by the collective public and private sector to unlock the continent's full agriculture and agribusiness development potential;

**REAFFIRMING** that the private sector has a critical role to play in strengthening food systems in ways that build resilience for vulnerable populations, thereby reducing the impact of natural and man-made disasters;

**SUPPORTING** the development of national and regional public private platforms that align available resources, initiatives, policies, and programmes of both private and public sector actors toward the acceleration of development within the agriculture/agribusiness sector;

**HEREBY URGE the Public Sector to:**

1. Incorporate private sector stakeholders in agriculture policy, design, development and programme implementation efforts – particularly to unlock private sector investments in regard to the implementation of CAADP investment plans and toward the development of value chains for strategic food commodities;
2. Expand policy development efforts that support transformation and value addition in the agriculture and agribusiness sector;
3. Ensure that comprehensive efforts are made to support the economic development of rural populations, in addition to providing them with technical agriculture/agribusiness support interventions;
4. Promote increased public investment in agriculture-supporting infrastructure (e.g. roads, electricity, warehousing, irrigation and distribution) to reduce costs and increase the competitiveness of agricultural value chains;
5. Redouble efforts to create a conducive investment environment and to improve the ease of doing business on the continent;
6. Implement policies that help improve access to finance within the agricultural/agribusiness sector, especially for smallholders and small and medium enterprises (SMEs);

7. Develop and promote inclusive economic growth strategies that support the incorporation of small hold farmers into local, regional and international agribusiness value chains;
8. Encourage and guide bilateral and multilateral development partners to support national and regional related efforts to engage and develop the private sector in the agricultural and agribusiness sector, particularly around national and regional agribusiness value chains ;
9. Strengthen efforts to remove all barriers to intra-African trade;
10. Establish and engage in public private dialogues and action-oriented platforms, at the pan-African, regional and national levels to further public private partnerships and collaboration; and
11. Reinforce capacities to develop skills, technologies and mind-sets that improve and empower entrepreneurship and productivity in food production, processing and related agribusiness activities;

**URGE the Private Sector to:**

1. Engage in public private dialogues and platforms, at the pan-African, regional and national levels to explore and further public private partnerships and collaboration;
2. Expand inclusive business models to create new jobs and income-generating opportunities within the agribusiness/ agriculture sector;
3. Review the AUC agribusiness and agricultural regional development programmes (e.g. CAADP Pillar II, ACTESA, 3ADI, AIDA) to explore areas of potential alignment, collaboration, and investment with these national and regional value chain development initiatives;
4. Engage with the African public sector through sustained dialogue to see how best policy makers, regulators and administrators can support private sector led efforts to establish agribusiness corridors, incubation facilities, aggregation and market centres, regional growth clusters, processing facilities and zones, and export programmes;
5. Accelerate efforts to mobilize private capital in support of value chain development, along with important technical assistance to improve smallholders and SME's capacity to produce quality products in a timely manner; and
6. Promote capacity development, technology transfer and innovation, including the expansion of shared risk financial facilities, mobile money solutions, cellular communications applications, and improved storage and transport capacity;

**URGE the Public and Private Sector jointly to:**

1. Support the development of the African food industry through inclusive market and value chain development;
2. Pool financial and technical resources to establish more finance facilities that support agribusiness development, particularly among SMEs and small holders;
3. Accelerate efforts to collaborate to increase food production to meet the continent's growing demand;
4. Develop local, market based food nutrition solutions that support small farmers and leverage available resources to make a sustainable impact in reducing hunger and poverty;
5. Support follow-up activities of key agribusiness development stakeholders, such as the United Nations Development Programme's (UNDP) African Facility for Inclusive Markets (AFIM) - as a regional platform to support inclusive market development in Africa, in collaboration with other UN agencies and other development partners.

**REQUEST Africa's Development Partners to:**

1. Increase the resources deployed and programmes initiated to support inclusive private sector development in Africa in the agriculture, agri-food and agribusiness sectors and related value chains,
2. Increase support for catalytic financing mechanisms and matching grant facilities to promote the development of inclusive models and inclusive markets; and
3. Advance development effectiveness by working collaboratively and in an aligned and coordinated manner with African recipients of development resources.