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WORKSHOP REPORT

CAADP Investment Plan Implementation and Private Sector Engagement Technical Workshop

Johannesburg, 20-21 November 2012



UNDP African Facility for Inclusive Markets and

African Union Commission / NEPAD Planning and Coordination Agency

TABLE OF CONTENTS

TABLE OF CONTENTS	1
EXECUTIVE SUMMARY.....	2
BACKGROUND	3
WORKSHOP PROGRAMME	5
DAY ONE – 20 November 2012	7
Opening/ Welcome Remarks	7
PART I: Key Components of Developing a National CAADP Investment Plan	7
PART II: Tour de Table	8
PART III: Key Components of Developing a National CAADP Investment plan	10
PART IV: Introducing the Private Sector Investor’s Guidelines and Model Brief	11
PART V: Discussion of CAADP Investment Plans	12
1. Botswana CAADP Investment Plan.....	12
2. Zimbabwe CAADP Investment Plan.....	13
3. Nigeria CAADP Investment Plan	13
4. Liberia CAADP Investment Plan.....	13
5. Ethiopia CAADP Investment Plan	14
6. Ghana CAADP Investment Plan	14
PART VI: Feedback from Private Sector / Value Chain Developers	14
DAY TWO – 21 November 2012	15
PART I: Group Exercise - Review Draft Guidelines and Model Brief.....	15
PART II: Good Practise in Aligning Development Partner Support for Agriculture Sector Development	16
PART III: Good Practice in Mobilizing Public-Private Partnerships and Aligning Private Sector Value Chain Development Activity with Public Development Interests	16
CONCLUSION	16

EXECUTIVE SUMMARY

UNDP & NPCA Technical Workshop on 'Increasing Private Sector Investment through Augmented CAADP Investment Plan' was convened by the United Nations Development Programme (UNDP) regional private sector project 'African Facility for Inclusive Markets' (AFIM) and the 'Comprehensive African Agriculture Development Program' (CAADP). The workshop was held in Johannesburg, South Africa 20-21 November 2012 at the Indaba Hotel.

The technical workshop was attended by over 30 participants from CAADP compact countries, the private sector, banking institutions, academic institutions etc. who discussed how to improve the utility of the National Agricultural Investment Plans (NAIPs) as tools to attract private sector investment to countries that have signed compacts under the AU NPCA CAADP program.

During the course of the workshop various experiences and ideas related to private sector engagement and investment attraction were shared by CAADP representatives and were discussed and debated by the workshop delegates. Experiences were shared from the Common Market of East and Southern Africa (COMESA), Botswana, Ethiopia, Ghana, Nigeria, and Zimbabwe.

The outcome of the technical workshop was that the Private Sector Investor Guidelines which were developed in draft form were circulated by delegates to their respective stakeholders for comments, and a further more refined version was to be developed by UNDP AFIM. This document was also to feed in to a process being undertaken by CAADP to update the Post-Compact Guidelines overall.

Also it was decided at the meeting that 2-3 countries would be supported as a pilot project and effort to help them develop '*Investor Briefs*' around their CAADP National Agricultural Investment Plan. The aim thus was that in the first quarter of 2013 or around the CAADP 2013 Partnership Platform, UNDP would look to convene an Investment Facilitation Platform as a demonstration exercise for two countries.

The next steps that were discussed for follow-up after the meeting were to identify two countries to work with (Zimbabwe, Botswana, Liberia were suggested) and to expand the discussion and promote the '*Guidelines Annex*' at the 2013 CAADP Partnership Platform.

BACKGROUND

Agricultural development in Africa has been increasingly recognized and promoted as a critical pillar in the overall economic development of the continent by a wide range of multilateral institutions, including the World Bank, African Development Bank (AfDB), UN Economic Commission for Africa (UNECA), UN Industrial Development Organization (UNIDO), UN Food and Agricultural Organization (FAO) and UN Development Programme (UNDP), and a growing number of bilateral development partners such as the German Development Agency (GIZ), the US Agency for International Development, the Dutch development agency (SNV), and Japan International Cooperation Agency (JICA).

The Comprehensive Africa Agricultural Development Programme (CAADP) is the key strategic plan and programme put forth by the African Union to guide agricultural development on the continent. Housed within the NEPAD Planning and Coordination Agency, CAADP calls for African governments to sign “Compacts” that outline their strategies to increase national investment in agriculture and establishes a framework for systemic engagement with stakeholders, including bilateral and multilateral development assistance partners and the private sector, toward the mobilization of national and regional agricultural investment.

By June 2012, thirty Compacts had been established and twenty three countries and one region (West Africa - ECOWAS) had developed “Investment Plans” that laid out each country’s key target areas for national investment and incorporated their desires for private sector investment. Specifically, each Compact includes:

- a) A Strategic Agreement (Document) on joint and Collaborative Action on Agriculture;
- b) Political and Technical Content
- c) A roadmap to Specific Desired Areas of Investment
- d) Commitments desired from National Government and Development Partners
- e) Defined Roles and Responsibilities

To date the exact process toward developing the Compacts have varied from country to country - with broad guidelines encouraging inclusiveness in the development process and the ultimate objective of putting in place a framework to unlock potential in the sector serving as the template for getting each Compact duly constructed. In 2010, CAADP put forth “Post-Compact Review: Guidelines” to assist countries in developing investment plans that were aimed at mobilizing both domestic and external financial and technical support for the agriculture sector:

“The Investment Plan is a plan that builds from the broader goals and targets stipulated in the Compact, translates the sector challenges and opportunities into sector objectives and strategies and later puts forth specific programmes that will achieve sector goals, objectives and targets. The sector programmes therefore are an integral part of the investment Plan. The programmes outline strategies for the development of key investment areas such as extension, research, irrigation etc. and presents concrete strategies that detail how each of these areas will contribute to the attainment of sector goals. Each programme can be broadened into sub-programmes (with clear programme targets) and later activities designed and costed. This programming and sub-programming, targeting and later costing is what defines an Investment Plan.”¹

¹ CAADP Post-Compact Review Guidelines, p. 7, 2010, NPCA

The components, in summary include the following:

Summary Element	Elaboration of Scope, Content and Detail
1. Coherence and consistency with long term growth and poverty reduction targets	Alignment of pre-existing sector development plans within the participatory CAADP Compact development process
2. Scope	Should be comprehensive, including existing agriculture support programmes and planned initiatives
3. Programme level definition	Should be organized around specific programmes – ideally in line with the four CAADP pillars
4. Results framework	Should include a comprehensive results framework – linking investment plan goals with individual programme objectives, and the outputs of components and activities, with risks and assumptions clearly identified
5. Priority Setting	Should set clear priorities – overall, and within specific programmes
6. Costing	Should be activity based – overhead included
7. Financial and Economic Analysis	Sector analysis should include indication of the overall impact on growth of allocating incremental resources to the sector
8. Implementation	Should present existing or planned implementation mechanisms for each programme
9. Institutional Assessment	Should be premised on a thorough institutional assessment, HR availability, and HR needs of each programme, along with assessment of strengths and weaknesses of each major sector institution; include a capacity development plan, a sector public expenditure review, a public financial management review, a statement on the roles of the public and private sectors and about how resources will reach the private sector, a statement of expectations of the private sector
10. Policy Implications	Should analyze policy implications and point out outstanding policy issues to be addressed, delineating timeline for desired changes and identifying responsible actors for change
11. Monitoring & Evaluation	Should include an M & E framework, reviewing existing mechanisms and including key indicators
12. Financing Plan	Should include an indicative financing plan, based on a sector wide approach or options for basket funding, indicate the scale and distribution of government funding

The challenge for those preparing Investment Plans thus far has been that the documents, principally drafted with a government audience in mind, does not clearly speak to the issues that are germane to the private sector, and as such have not been as useful in attracting private investment as desired.

UNDP AFIM put forth the idea to NPCA that CAADP could benefit toward this end by developing a private sector investor friendly addendum to the standard investment plan and suggested that the development of draft private sector investment facilitation guidelines for CAADP Focal points could serve as a constructive and tangible exercise toward accelerating the pace of private sector engagement and investment related to the CAADP investment plans.

The Technical Workshop was thus convened on 20-21 November 2012 toward an initial effort to share with Focal Points key components of a document, and the related document development process, intended to promote selected investment sectors within the CAADP NAIP's to private sector stakeholders.

WORKSHOP PROGRAMME

UNDP-NPCA Technical Workshop on Increasing Private Sector Investment through Augmented CAADP Investment Plans - Agenda

Day 1 – Tuesday, November 20, 2012

08:00 – 09:00	Registration
09:00 – 10:00	Welcome, Introductions and Overview Tomas Sales, Program Manager, UNDP AFIM Martin Bwalya, Head: CAADP
10:00 – 10:30	Key Components of Developing a National CAADP Investment Plan Martin Bwalya, Head: CAADP
10:30 – 11:00	Questions and Answers
11:00 – 11:15	Networking Coffee and Tea
11:15 – 11:45	Introducing the Private Sector Investors' Guidelines and Model Brief Michael Sudarkasa, UNDP AFIM
11:45 – 12:15	Questions and Answers (Q&A)
12:15 – 13:15	Networking Lunch Break
13:15 – 14:00	Discussion of CAADP Investment Plans – Botswana, Zimbabwe Lesedi Modo, CAADP Representative, Botswana Colleen Kabudura, CAADP Representative, Zimbabwe
14:00 – 14:30	Feedback from Private Sector/ Value Chain Developers and Q&A Opening Comments: Oluwole Funtabi, FARA Cecilia Khupe, AFAP
14:30 – 14:45	Networking Coffee and Tea Break
14:45 – 15:15	Discussion of CAADP Investment Plans – Liberia, Nigeria Michael Titoe, CAADP Representative, Liberia Sunday Uhiene, CAADP Representative, Nigeria
15:15 – 15:45	Feedback from Private Sector/ Value Chain Developers and Q&A Opening Comments: Tumwesigye Amos Teotim, Regional Manager East Africa, ACE
15:45 – 16:15	Discussion of CAADP Investment Plans – Ghana, COMESA Jeremy Agyemang, CAADP Representative, Ghana Sonnyboy Shongwe, CAADP Representative, COMESA
16:15 – 16:45	Feedback from Private Sector/ Value Chain Developers and Q&A Opening Comments: Dora Nyambe, Regional Manager Southern Africa, ACE
16:45 – 17:00	Day 1 – Wrap Up Tomas Sales, UNDP AFIM Martin Bwalya, Head: CAADP
18:00 – 19:30	Networking Dinner

Day 2 – Wednesday, November 21, 2012

- 09:00 – 10:00** **Group Exercise – Review Draft Guidelines and Model Brief**
Develop Core Content List and Review/Draft Outline for Model Brief (Break into 2 groups for this discussion)
- 10:00 – 11:00** **Feedback from Representatives of Working Groups**
- 11:00 – 11:15** **Networking Coffee and Tea Break**
- 11:15 – 12:15** **Key Aspects of Developing a Model Investment Attraction Programme using CAADP Investment Plans**
Michael Sudarkasa, UNDP AFIM
- 12:15 – 13:15** **Networking Lunch Break**
- 13:15 – 14:15** **Good Practice in Mobilizing Internal National Government Resources to Support Agriculture Sector Development**
Panel - Representatives of CAADP Focal Points
- 14:15 – 15:00** **Good Practice in Aligning Development Partner Support for Agriculture Sector Development**
Matt Troniak, MFW4A
- 15:00 – 15:15** **Networking Coffee and Tea Break**
- 15:15 – 16:00** **Good Practice in Mobilizing Public-Private Partnerships and Aligning Private Sector Value Chain Development Activity with Public Development Interests**
Zhann Meyer, NEDBANK, SAADPP
- 16:15 – 17:00** **Review of Final Draft Guidelines and Contents of Model Brief and Q&A**
Michael Sudarkasa, UNDP AFIM
- 17:00 – 17:30** **Closing**
Tomas Sales, UNDP
Martin Bwalya, CAADP

DAY ONE – 20 NOVEMBER 2012

Opening/ Welcome Remarks

Tomas Sales (Project Manager UNDP-AFIM) – Mr. Sales opened the workshop by welcoming all the guests. In his opening remarks, Mr. Sales introduced the attendees to the UNDP-AFIM project, which aims at Private sector and inclusive market development contributing to poverty reduction and achievement of the MDGs in Africa. The goals of the project are the following:

1. Increased private sector related capacity of targeted, regional institutions and governments;
2. Strengthened regional and country level initiatives;
3. Broad-based alliance of partners for IMD in Africa (Private sector, regional institutions, UN agencies, donors and other development partners); and
4. Improved access to finance for small producers and Micro, Small and Medium enterprises (MSMEs).

Mr. Sales encouraged participants to actively engage, participate and contribute towards the development of the guideline document by serving as part of the draft review committee, through extracting important information to private sector investment.

PART I: Key Components of Developing a National CAADP Investment Plan

Martin Bwalya (Head CAADP) – Mr. Bwalya's presentation informed the attendees about the key issues and components that are crucial in forming a CAADP implementation plan. Prior to giving detailed step by step implementation phases of the CAADP plan, he began with an overview presentation on the development of the NEPAD and CAADP initiatives which were launched in 2001 and 2003, respectively. NEPAD and CAADP were developed as a call to address the stagnation in key growth issues in Africa largely due to poverty and food insecurity.

Furthermore, it was identified that there was a decline in the AU member states' capacities to feed their people, create jobs and stimulate and foster economic growth by Africa's governments. Most African agricultural development programmes were critiqued as being merely fundraising programmes. NEPAD and CAADP however, were meant to address development partners' funding policies and to deliver results through best resource use and good returns on money.

The second part of the presentation gave a detailed outline of the CAADP framework which was presented as a results oriented framework premising on three focal areas namely: 1) ability to improve programme quality; 2) delivery or results and impact around poverty and food security; and 3) improving quality and appropriateness of policies and institution programme. Since the launch of CAADP in 2003, 30 countries have signed the CAADP compact, which calls for the governments to allocate at least 10% of the national budgets towards agriculture.

Of the 30 that have signed, 26 have implemented their investment plans to date. Increasing government planning through quality knowledge and data paying attention to accountability looking at results has been identified as a key issue.

In the previous months leading up to the workshop the NPCA focused on sustaining the CAADP momentum putting a lot of emphasis on demonstrating results. In order to support the promotion of the CAADP initiative, there is a need for the programme to begin to show more significant results.

The key issue in delivering results is the need to engage the private sector. The private sector should be integrated at all stages of CAADP investment plans as it has a significant role in implementing agricultural activities and it is also key in information generation and dissemination.

In closing, Mr. Bwalya stressed that this workshop will help in making private sector issues as part of the process and increasing private sector involvement in the implementation of CAADP. A call was made for the attendees to share best practices and experiences that help in advancing agricultural development, to look objectively at how and what can be done to engage the private sector while at the same time paying attention to their business and profit making objectives.

PART II: Tour de Table

Each attendee introduced themselves, their organisations, responsibilities, areas of interest and expectations for the workshop. The summary of the attendees of day one of the workshop is listed below:

1. Mr. Sonnyboy Shongwe, Agricultural Finance Expert (COMESA)

Key areas include information sharing on how to mobilise financing for agriculture, works in climate change projects and how to access finance for these projects. He is interested in sharing plans on to involve the private sector.

2. Mr. John Mukuka (ACTESA)

Key areas include integration of smallholder farmers into high value markets by improving policy and works also in the public sector. He is implementing Pillar 2 and 3 of CAADP.

3. Prof. Andre Louw (Consultant Researcher and Lecturer, University of Pretoria)

Worked in the banking sector and organisations that include USAID, CAADP and AGRA in areas that include supply chain analysis, risk management and stakeholder equity.

4. Ms. Lynette Chen (CEO, NEPAD Business Foundation)

Wants to understand the investment criteria for making profits for business and facilitate dialogues for donors aimed at agriculture.

5. Ms. Cecilia Khupe (Programme Director, AFAP)

Ms. Khupe works with private sector and farmers and on provision of fertiliser at affordable cost. Have established offices in various African countries that include Mozambique, Ghana, Ethiopia etc. She highlighted that fertiliser use in Africa is low with an average usage of 9kg per hectare whereas in Asia the average usage is 130kg per hectare. She also stressed that fertiliser is highly politicised and there is need to engage private sector as an engine for growth.

6. Mr. Jeremy Agyemang (Senior Agricultural Economist, Ministry of Agriculture, Ghana)

Key areas of work include facilitation of investment in agriculture and innovative ways of the private sector and the role in investment.

7. Mr. Michael Titoe (Ministry of Agriculture, Liberia)

Mr. Titoe's key area is coordination of private sector investment in the agricultural sector.

8. Ms. Lesedi Modo (Principal Agricultural Economist, Botswana)

Ms. Modo is interested in learning how to develop a CAADP investment plan in Botswana since they have not signed the CAADP compact. She is also interested in how to attract private sector and mobilising funds.

9. Dr. Olowade Fatumbi (Programme Officer, FARA)

Dr. Fatumbi is involved in implementation of CAADP Pillar, works with civil organisations in Africa, developing private sectors and agriculture, developed PanAAC. Wants to share FARA's experience.

10. Mr. Toshiyuki Makamura (Japanese International Cooperation Agency)

Mr. Makamura works in over seven African countries, hosting a conference in June 2013 on inclusiveness of partners in agricultural development, have an infrastructure development programme on targeting road and energy, involved in provision of skills and technical assistance.

- 11. Mr. Colleen Kabudura (Ministry of Agriculture, Zimbabwe)**
CAADP focal person in Zimbabwe.
- 12. Mr. Matt Troniak (Chair-Donors Working Group, Making Finance Work for Africa)**
Enable donors to make finance available, training in issues regarding the financial sector, finance along the value chain and acknowledge that insurance is a good financial risk management tool.
- 13. Ms. Maria Wanzala (CAADP)**
Ms. Wanzala revises CAADP investment plans, seeking to get ideas on engaging private sector and countries on how to implement investment plans.
- 14. Mr. Pierre Venter (Bankers Association of South Africa)**
Mr. Venter is interested in partnership opportunities of private sectors to deepen their involvement.
- 15. Mr. Amos Tumwesigye (ACE Global)**
Facilitate access to trade finance, mitigate risks in financing, collateral managers and monitor financing activities along the value chain, offer credit support, structuring financing facilities.
- 16. Ms. Dora Nyambe (ACE Global)**
Mitigate risk of financiers to support various sectors, provide structuring policies with the help of private sector, do due diligence and training programme in risk securing for various commodities so that all stakeholders are aware of risks prior to conducting a transaction.
- 17. Dr. Sunday Uhiene (Ministry of Agriculture, Nigeria)**
Dr. Uhiene helps in coordinating CAADP process in Nigeria and creating enabling environment so value chain can excel and have access to markets through policies that support every value chain actor. He highlighted key challenges in implementation that include data collection and creating conducive policies.
- 18. Ms. Njabulo Zwane (Illovo Sugar)**
Ms. Zwane operates in five African countries where she is working with small scale farmers / outgrowers and suppliers of sugar improving their general livelihoods and welfare. She reported that mobilising funding for the farmers is a major challenge. Also works as the Vice President of PanAAC.
- 19. Mr. Johnson Bungu (Marketing Advisor, SACAU)**
Mr. Bungu represents national farmers union in 12 African countries, including both commercial companies and smallholders. He is interested in how farmers can benefit from private sector investment.

From AFIM Team there were also the following participants: Tomas Sales (AFIM Manager, UNDP-AFIM), Michael Sudarkasa (Advisor, UNDP-AFIM), Juergen Nagler (Programme Specialist, UNDP-AFIM), Tiina Turunen (Program Analyst, UNDP-AFIM) and Kurauone Murwisi (Intern, UNDP-AFIM). CAADP was represented by Martin Bwalya (Head, CAADP), Tobias Takavarasha (NEPAD/CAADP) and Maria Wanzala (CAADP).

On the second day the meeting benefitted from attendance of additional participants, e.g. from the South Africa Banking Association and the consulting firm Accenture.

PART III: Key Components of Developing a National CAADP Investment plan

Martin Bwalya (Head of CAADP) presented the background of the CAADP and the CAADP investment plans. The presentation provided a broad outline of where CAADP is coming from, where they are now and what they want to achieve. CAADP was formed as the agriculture priority programme set out by the New Economic Partnership for Africa's Development (NEPAD), which is the overall programme for Africa's development.

The quality investment plans that have direct impact on delivering results are the key in the CAADP process. The investment plans should be centred on expanding quality, attracting resources, guaranteeing value for money and returns on investment. Two areas of impact to the CAADP agenda are increasing the productivity of agriculture and providing products. CAADP put emphasis on increasing the competitiveness of the agriculture industry.

Moving forward the presentation gave a detailed explanation of the CAADP country implementation process with the aim of taking the participants through a detailed stage by stage outline of the CAADP implementation process. Implementing CAADP starts at looking at existing policies, capacities and programs and CAADP leverages these so that at the end the appropriateness, quality, performance and value for money of these existing elements has improved. The CAADP process involves 4 elements that are implemented concurrently:

1. Engagement with stakeholders
2. Evidence based analysis
3. Development of investment programmes, partnerships and alliances
4. Assessment and learning from process and practice

The CAADP process follows three benchmarks: Compact signing; Independent technical review; and Business meeting. During the compact signing stage general commitment towards the CAADP process and aligning it with the national priorities is conducted. The independent technical review process is done by NEPAD using experts from across the continent. The technical review is undertaken to assess the following five components:

1. Does the plan align with CAADP principles and values?
2. Is the strategy able to deliver the level and type of growth required to achieve economic growth and reducing poverty and hunger? Here the strategy is evaluated looking at whether it can achieve growth targets, if it is realistic based on historic trends and whether it is efficient and how well the growth is distributed.
3. Have best practices been applied in drafting the strategy and whether the plan is comprehensive, efficient and sustainable?
4. Are institutional, structural, Monitoring and Evaluation frameworks clear and do they help create an environment for the plan to succeed?
5. Is the budget realistic and is it aligned with the objectives?

In closing his presentation Mr. Bwalya encouraged to use the Investment Plan to speak to the private sector informing them on where and how to invest.

Questions and Answers

Tomas Sales (UNDP-AFIM Project Manager) moderated the questions and answer session. Key issues and questions that were discussed included the following:

1. How to translate the 10% agricultural budget commitment to the 6 agricultural growth targets?
2. Where and when business meetings are held? A call was made for CAADP stakeholders to engage the private sector at the beginning of the process and not wait until the investment plan is nearly developed to seek input.
3. Adopting the value chain approach to identify key private sector actors along the whole value chain - from inputs supply through processing to wholesale and retail so as to financing goes to the relevant supply chain actors.
4. How to ensure that government policies do not create a trade-off where empowering some actors while making other actors worse off?

PART IV: Introducing the Private Sector Investor's Guidelines and Model Brief

Michael Sudarkasa (UNDP-AFIM Advisor) presented the model brief on the 'Private Sector Investor Guidelines' as preliminary work on how best to improve private sector involvement in the CAADP process and mobilize investment. Using the Tanzanian Investment Plan as a framework the objective of the presentation was to inform the participants on the CAADP Investment Plan from a private sector investment perspective.

The presentation discussed the 4 key analysis points for the private sector which include: 1) Public Investment and Economic Growth Goals; 2) Government Oriented Document; 3) Government Developed Document; and 4) Private Sector useful information hidden among the development content. For private sector to invest the following information is crucial:

- Economic and Political Environment
- Agriculture Sectoral Performance
- Key Agricultural Priorities
- Government Incentives
- Commercial Finance Availability
- Development Partner Sector Support
- Existing/ Potential Markets

The presentation also provided a detailed summary of the key components of a Post-Compact CAADP Investment Plan and an overview of the CAADP Investment pyramid. Typical areas for private sector investment were presented preceding the impact investor areas of investment focus. The investment process flow that builds toward the CAADP investment plan was presented showing that government is involved in the initial investment by building regulatory and enabling environment for other sectors to invest and is followed by private donors and ending with private sector investment.

In concluding, Mr. Sudarkasa presented the model guideline which provided a framework for developing a private sector investor's brief and asked attendees to build on a general consensus on how to plough interest of the private sector to invest in agriculture.

Questions and Discussion

Martin Bwalya moderated the questions and discussion session. Key issues that were raised during the discussions included the following:

- Where to add farmers, as a segment of the private sector, in the CAADP investment array of stakeholders that include: government, development partners and private sector, and how these three investment actors will react to this?
- How best to limit government's role in investment to creating a regulatory environment and allow private sector to take the lead role in investment?
- Use a more comprehensive inclusive approach building on the value chain process to better identify different private sector players.
- Value addition processes lie in the hands of the few, how then do we distribute a due diligent checklist for all participants?
- How to commercialise the resource poor smallholder farmers in Africa and how to get private sector players e.g. mining to contribute to smallholder sector through Corporate Social Responsibility by funding farmers or setting aside land for land for smallholder farmers to produce?
- Capacity building for commercial banks and other financial institutions on agricultural literacy to enable them to effectively fund agriculture.
- Consider satellite driven technology to assist in accessing risk mitigation information.
- Development of storage facilities of agriculture under infrastructural development.
- How can the private sector learn from indices, such as, competitiveness index, doing business index, HDI etc. to inform their investment plans?
- Lessons from Nigeria's Cocoa Board, Oil Palm board and Zimbabwe's Grain Marketing Board show that state owned commercial enterprises are subject to political influence and affects efficiency of agricultural sector.
- Government should not leave the private sector to have full control of the investment because due to their nature of '*what is in it for me*' will selfishly pursue self-interest, therefore government should regulate and ensure '*fair play*'.
- Trust is of importance between private and public sector.

PART V: Discussion of CAADP Investment Plans

Moderated by **Martin Bwalya** and **Tomas Sales**, this part of the workshop focused on sharing experiences on implementing the CAADP process from various countries. CAADP focal persons shared their experiences on where they are with regard to signing the CAADP compact and their investment plans and how they are implementing the CAADP process in their respective countries. Questions and discussion followed after each country presentation. Countries that presented their country case included Botswana, Zimbabwe, Nigeria, Liberia, Ethiopia and Ghana.

1. Botswana CAADP Investment Plan

Lesedi Modo (Principal Agricultural Economist Ministry of Agriculture Botswana) shared Botswana's experience. Botswana is yet to sign their CAADP compact and develop an investment plan. However, Botswana held a NEPAD workshop in June 2012 to create awareness and get a buy-in from various ministries. Another workshop was held in November 2012 after the CAADP team was formed but the representation of stakeholders especially from the youth and non-Private sector actors was weak. The country is currently developing a roadmap with a short term plan proposed for March 2013. The proposed roadmap includes the following milestones:

- Formalize the CAADP team by December 2012;
- Engage consultants to help draft the investment plan and to do benchmarks by February 2013; and
- Launch the CAADP team in March 2013.

2. Zimbabwe CAADP Investment Plan

Colleen Kabudura (CAADP Focal Person and Agricultural Economist in the Ministry of Agriculture, Zimbabwe) presented the Zimbabwe CAADP experience which was formally launched in 2009. Zimbabwe has not signed the CAADP compact due to the fact that the initial draft compact had not been extensively circulated and a lot of stakeholders were not consulted. Therefore the country embarked on a road show campaign in each of the country's 10 provinces in an effort to reach out to the various stakeholders. Currently the country is finalising the compact document which is being funded by the World Bank and is titled '*Zimbabwe Agricultural Investment Plan*' (ZAIP). Validation workshops for the compact document were set for the end of November 2012 and plans are underway for the signing of the CAADP compact at the validation workshop or latest in mid-December or early January 2013.

3. Nigeria CAADP Investment Plan

Dr. Sunday Uhiene (CAADP Focal Person, Nigeria) discussed the Nigeria CAADP National Agricultural Investment Plan highlighting the key milestones of the investment plan since the start. Nigeria started its CAADP process in 2001 after the Maputo Declaration and established a CAADP Process Steering Committee in 2005. Nigeria signed its CAADP compact on the 30th of October 2009 and prepared their NAIP between November 2009 and June 2010.

The outstanding actions of the Nigerian CAADP process include the following:

- Technical support to all the states in preparation of the SAIP process
- Community of practice amongst the country team members
- Meetings with the thematic groups
- Establishment of the SAKSS Node
- Capacity building of Value Chain Actors in the States
- Convening of the Policy Dialogue Group (National Stakeholders Meeting)

Two key issues that have emerged from the Nigerian experience include the Community of Practice amongst the Country Team members and the provision of Technical Support to the States on the preparation of SAIPs and Implementation of the CAADP Country Team Structure.

The Nigeria's National Agriculture Investment Plan which adopts the value chain approach focuses mainly on:

- Agricultural productivity enhancement
- Commercial agricultural support
- Land and water management
- Linkages and support to input and product markets
- Programme coordination and Monitoring and Evaluation

4. Liberia CAADP Investment Plan

Michael Titoe (CAADP Representative, Liberia) presented the Liberia CAADP Investment Plan. Liberia signed its CAADP compact in 2010 and has had a series of consultations with various stakeholders and developed the Liberia Agricultural Support Programme. Under the Liberia Agricultural Sector Investment Program/National Agriculture Investment Program (LASIP/NAIP) the Liberian government seeks to transform Liberian agriculture over the 2010 to 2020 period and in so doing maximize the sector's contributions to economic growth, employment and income generation, food and nutrition security, and poverty reduction. The LASIP/NAIP is operating under four key areas which include:

1. Food and Nutrition Security
2. Competitive Value Chains and Market Linkages

3. Land and Water Resources Management and Development
4. Institutional Development

Liberia has begun implementing its Investment Plan and has received money for the implementation. A monitoring and evaluation unit has also been established. However the country is yet to set up steering groups.

5. Ethiopia CAADP Investment Plan

Abera Mulat Segaro shared Ethiopia's experience. In Ethiopia accessing finance was not the main challenge but rather the recovering of land. Land in Ethiopia belongs to the government and farmers' rights are limited to use of the land and they are not allowed to sell it. Government has allocated 16% of its total budget to agriculture with the aim of increasing agricultural productivity and natural resource management. The Prime Minister holds series of stakeholder workshops on how to actively engage the private sector in the agricultural sector.

6. Ghana CAADP Investment Plan

Jeremy Agyemang (CAADP Representative Ghana) presented the Ghana CAADP process Investment Plan. Ghana's National Agriculture Investment Programme is called the Medium Term Agriculture Sector Investment Plan (METASIP). METASIP runs under six sub-programmes: 1) Food Security; 2) Growth in Income; 3) Markets; 4) Natural Resource Management; 5) Science and Technology; and 6) Institutional Coordination. The programme is funded using internal generated revenue and some funding from the Government of Ghana. Monitoring of the programme is done against 58 indicators which were developed in 2011. The next step in the implementation of METASIP includes developing an incremental strategy for METASIP with small steps that are measurable and developing strategies to crowd in private sector investment amongst other issues.

PART VI: Feedback from Private Sector / Value Chain Developers

This part of the workshop was focusing on private sectors sharing their experiences.

Alliance for Commodity Trade in East and Southern Africa.

John Mukuka (ACTESA) presented the ACTESA input. ACTESA was formed in 2009 as a regional alliance and as a special COMESA agency that seeks to harmonize and coordinates multiple interventions of State and non-State actors and exploit synergies and complementary competencies among implementing actors.

The overall objective of ACTESA is to integrate smallholder farmers into national, regional and international markets in line with the CAADP agenda in order to achieve broad-based growth and decreased food insecurity. ACTESA focuses on three key areas: 1) Policy Research and Advocacy; 2) Expanding Market Services and Facilities; and 3) Capacity Building for Commercialisation.

ACTESA has forged partnerships with various organisations and government departments across the continent and has successfully implemented various programmes over the past three years which include COMESA Regional Agro-inputs Program with the European Union, Biotechnology with USAID, Joint Fertilizer Procurement Initiative with FAO, ACTESA Knowledge Management Portal in collaboration with Agro-Enterprise Learning Alliance, Africa Agricultural Markets Programme with DFID and World Bank amongst other programmes.

In conclusion Mr. Mukuka stressed that Public-Private partnerships make private sector invest in staple food value chain and that multi-stakeholder engagement including Business Development Services providers is crucial.

DAY ONE WRAP UP

Tomas Sales concluded day one of the workshop with a summary and reminded the participants to join the drafting committee to develop the CAADP investment guide.

DAY TWO – 21 NOVEMBER 2012

The second day of the workshop focused on active interaction of the participants and discussions on the investment model brief with the aim of coming up with guidelines on private sector investment. Drafting committee participants would be chosen amongst the attendees.

PART I: Group Exercise - Review Draft Guidelines and Model Brief

Michael Surdakasa (Advisor, UNDP-AFIM) moderated the group exercise that marked the beginning of day two and organised the participants into two groups. Each group was assigned to review the model CAADP Investment Plan that was drafted using the Tanzanian Investment guideline. Each group was to review the draft outline.

Group representatives gave feedback on their group discussions and the following key points were shared for each question:

Question 1 Feedback - Suggest ways to better incorporate the Private Sector voice into the Investment Plan Development process:

- Conduct an environmental scan, risk assessment using various indices as a pre-condition for private sector, looking for best return on low risks.
- Organise open discussions and sharing of draft compact documents with the private sector to create programme awareness.
- Profile the private sector and having a database of the private sector informing who the private sector players are and what they do including banks and financial institutions.
- Have transparent mechanisms and platforms for engagement that facilitate equal participation of both public and private sectors participants.
- Use a cluster approach of private sector engagement, create strategic platform of organised unions/co-operatives/associations e.g. seed houses, manufacturers, retailers etc. or even use market segmentation.
- Create information incentive by presenting a picture with a detailed country baseline and clearly defined goal.
- Clarify what's in it for the private sector.

Question 2 Feedback - Identify key maps to attract the Private Sector:

- Mention donor projects to avoid project congestion.
- Identify the key financial institutions, multinational corporations in the country and the best performing agricultural sectors.
- Provide key data and information on availability of land, tax breaks, affordable innovative finance, new policies and policy reform that create investment incentives for private sector.
- Align private and public sector visions.

- Provide information on infrastructure development (e.g. warehouses to reduce post-harvest loss), water availability, power availability etc.
- Explain what the government does with regard to contract enforcement incentives, disaster management systems (early warning mechanisms) etc.
- Provide information on skill and capacity development of the people in the country.
- List the key priorities for the government investment and how much they want to invest.

Question 3 Feedback - Identify ways to make the private sector aware of the investment opportunities captured in the briefs:

- Content of the message is critical.
- Tactics and planning required, timeliness of the information dissemination is essential.
- Use various channels of dissemination e.g. Chamber of Commerce, business flash lights through member associations etc.
- Strong communication strategy to raise awareness across the country needed, e.g. use the president's office.
- Involve private sector in research and putting up models and concepts for Governments.
- Develop stock exchange and an agricultural index and develop agriculture support division.

PART II: Good Practise in Aligning Development Partner Support for Agriculture Sector Development

Matt Troniak (Making Finance Work for Africa (MFW4A)) MFW4A is a G8 finance initiative that was launched in October 2007. Their work involves maintaining a database of different donor activities to cut duplication of exercises and ensure value for money. Some of the key issues that MFW4A focuses include crop insurance and SMEs. The implementation of crop insurance as it is payable to farmers was encouraged. For example, in the USA crop insurance is compulsory. Crop insurance premiums should be subsidised. Also, to support SMEs, bottlenecks along value chains should be identified.

PART III: Good Practice in Mobilizing Public-Private Partnerships and Aligning Private Sector Value Chain Development Activity with Public Development Interests

Zhann Meyer (Nedbank) gave a commercial bank experience in agriculture. As a bank it is important to find agricultural activities that have good returns on investment for the shareholders. The five basic principles for banks that are getting into agriculture from a Nedbank experience are: 1) land security; 2) balance sheet of the agricultural project; 3) commercial hub that provides access to mechanisation; 4) prices; and 5) markets.

CONCLUSION

Tobias Takavarasha from NEPAD and Tomas Sales from UNDP concluded the workshop by thanking all the participants for their contributions. Participants were again welcomed to join the drafting team that will review the private sector investor guidelines, which once concluded will become an official annex to the CAADP Compact.

All of the delegates also noted that they found the workshop useful and constructive and looked forward to receiving the revised document and a number (including Botswana, Zimbabwe and Liberia) expressed their interest in having the UNDP-CAADP team work with their local CAADP Committees to develop a private sector investment programme using the tools discussed during the workshop.