

## Conference Report

# Engaging the Private Sector for Africa's Agri-Food Growth

16-19 October 2011 | Johannesburg South Africa





# CONFERENCE REPORT

AgriBusiness Forum 2011:

**Engaging the Private Sector  
for Africa's Agri-Food Growth**





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**Foreword by the President of EMRC**  
**Prof. Pierre Mathijsen**  
**Former Director-General for Regional Development with the European Commission**

**Dear participants,**

You will find herewith a detailed report of the AgriBusiness Forum 2011 held from 16-19 October 2011 in Africa's business hub, Johannesburg, South Africa. The conference was attended by well over four hundred people, from all over the world, interested in further boosting Africa's agricultural sector.

You might remember that the purpose of EMRC International's conferences, wherever they are held, is to bring together, on the one hand, Africans wishing to set up or expand enterprises and, on the other hand, investors from all over the world interested in investing in profitable and sustainable projects; the aim being that Africans with good projects find investors and partners.

From this point of view, the Forum was a success. The number of business-to-business meetings that took place throughout the conference was well over 1000, many investors made themselves and their objectives known and made good use of their chance to meet project developers. These meetings constitute one of the high points of the Forum, and an excellent introduction for what was to follow. In fact, follow up discussions and visits have started while we were still in South Africa; so the signs are very encouraging.

It was a particular honour to welcome to the Forum the Prime Minister of Zimbabwe, Morgan Richard Tsvangirai, and various African ministers and ministerial representatives. Their presence and participation highlight the importance and need to develop Africa's agricultural heartland and that governments across the continent are not only aware of the problems but are taking an active role in ensuring change for long-term growth and sustainability.

EMRC International has championed Africa's agricultural potential for years and believes that although there are challenges to be faced, successful development can be achieved! It remains at the disposal of all parties involved, to help find the right solutions.

With as much importance, I would like to personally thank all those who actively participated in the various sessions and also our Vice-President Idit Miller and the entire EMRC staff, who worked for months, day and night, to ensure the Forum's success. A final note also goes to our first and very successful partnership with UNDP and our strong and now long-term collaboration with FAO and Rabobank Foundation.

**Prof. Pierre Mathijsen**  
**President, EMRC Executive Committee**



**Foreword by UNDP Regional Bureau for Africa**  
**Almaz Gebru**  
**Officer-in-Charge of the UNDP Regional Service Centre for Eastern and Southern Africa**

The AgriBusiness Forum 2011, which gathered around 450 participants from 57 countries, was a great success. Especially important was the great representation from African countries, including colleagues from UNDP Country Offices, and government counterparts from 29 African countries.

On behalf of UNDP, I would like to extend my sincere thanks to all participants and collaborators, including the Prime Minister of Zimbabwe, the Minister of Agriculture of South Sudan, the Minister of Trade of South Sudan, the Minister of Agriculture of Uganda, CEOs of major food companies, representatives from farmers' groups, entrepreneurs, financiers, innovators, as well as UN agencies and other development organizations (FAO, UNIDO, WFP, IFAD, BCTA and the Global Compact), the Regional Economic Communities (AU, NEPAD, COMESA, ECOWAS, EAC) and AfDB. Last but not least, I would like to especially thank EMRC for the partnership in co-organizing the event.

This report covers the topics that were presented and discussed during the conference. Following a fruitful Public-Private Dialogue, the participants adopted the "Johannesburg Declaration on Private Sector Engagement to Further Africa's Agribusiness, Food Security and Nutrition Agenda". Among other priorities, the declaration urges the public and private sectors to increase their collaboration with one another, contribute to accelerating growth in the agro-food industry and the development of value chains. The objectives were to identify areas in which the public sector could support private sector driven agribusiness initiatives in Africa. It also aimed to identify opportunities for private sector participation in the agribusiness and food security agenda and to generate public and private sector commitment to support Inclusive Market Development across the region. We are delighted to see that so many stakeholders participated in the development and endorsement of this declaration.

UNDP and its African Facility for Inclusive Markets (AFIM), in collaboration with all partners, is committed to take action and contribute to make the aspirations outlined in the declaration a reality on the ground.

**Almaz Gebru**  
**Officer-in-Charge**  
**Regional Service Centre for Eastern and Southern Africa**  
**UNDP Regional Bureau for Africa (RBA)**







## ACKNOWLEDGEMENTS

This publication is the report of the AgriBusiness Forum 2011, which was held in Johannesburg, South Africa from the 16<sup>th</sup> to the 19<sup>th</sup> of October 2011. The Forum was jointly organised by EMRC International and the United Nations Development Programme (UNDP), in collaboration with Rabobank Foundation and the Food and Agricultural Organisation of the UN (FAO). We would like to extend our sincere thanks to Rabobank Foundation for their contribution to the EMRC-Rabobank Project Incubator Award, and congratulate Everlyne Cherobon from Emeden Kenya for winning the 2011 Agribusiness Project Incubator Award.

EMRC International is most grateful to our partner organisations: Heineken, FARA, UniBRAIN, CARD, ICRISAT, CTA, IDC, O-REAP, the Africa Enterprise Challenge Fund, the Lundin Foundation, Amiran Kenya and New Faces New Voices. We would also like to thank our support organisations and our media sponsor, Vox Africa.

## PREFACE

The EMRC AgriBusiness Forum has become firmly established on the annual agenda of African affairs. Originally held in Europe for many years, it is now being hosted by a major African city every year: After Cape Town in 2009 and Kampala in 2010, it was the turn of Johannesburg to host this year's event. This year the Forum was organised in close collaboration with a new major partner, UNDP. The collaboration with UNDP led to a more close focus on Inclusive Market Development and sustainability aspects. The AgriBusiness Forum gathers a wide range of agribusiness professionals, including industry leaders, cooperatives, SMEs, financiers, Government officials, NGOs, researchers, international organisations, universities, multinationals and donors interested in broadening their networks, creating new partnerships, learning about the latest technology and developments in agribusiness, and staying at the forefront of the advancement of agribusiness across Africa in response to rising global demand for food. The Forum provides an ideal platform for business networking within the private sector as well as the opportunity to interact with high-level government officials and decision makers.

### → EMRC International Goals and mission

EMRC International is an international not for profit organisation whose mission is to promote sustainable economic development in Africa through the growing of business partnerships with a specific focus on economic and trade relations with the private sector. EMRC International includes a vast network of entrepreneurs, financiers and officials from over a hundred countries around the world.





### → United Nations Development Programme's (UNDP) Goals and mission

The United Nations Development Programme (UNDP) is the UN's global development network, advocating for change and connecting countries to knowledge, experience and resources to help people build a better life. UNDP partners with people at all levels of society to help build nations that can withstand crisis, and drive and sustain the kind of growth that improves the quality of life for everyone. On the ground in 177 countries and territories, UNDP offers global perspective and local insight to help empower lives and build resilient nations. UNDP's regional project, African Facility for Inclusive Markets (AFIM), is working to reduce poverty and accelerate progress towards the Millennium Development Goals (MDGs) by supporting pro-poor economic growth and inclusive market development (IMD) across Sub-Saharan Africa. AFIM's strategy seeks to provide low-income people with the tools and resources to lift themselves out of poverty through private sector initiatives at the regional and country levels.

### → FAO Goals and mission

The Food and Agriculture Organisation of the United Nations leads international efforts to defeat hunger. Serving both developed and developing countries, FAO acts as a neutral forum where all nations meet as equals to negotiate agreements and debate policy. FAO is also a source of knowledge and information. FAO helps developing countries and countries in transition modernize and improve agriculture, forestry and fisheries practices and ensure good nutrition for all. Since its founding in 1945, the FAO has focused special attention on developing rural areas, home to 70 percent of the world's poor and hungry people.

### → Rabobank Foundation Goals and mission

The Rabobank Foundation is committed to improving the lives of underprivileged and disadvantaged groups of people in society by providing them with the opportunity to live full and independent lives. Rabobank Group is an international financial services provider operating on the basis of cooperative principles. Its operations include retail banking, wholesale banking, asset management, leasing and real estate. The Rabobank Foundation was established in 1973 as an independent foundation. In line with Rabobank's own co-operative background, the Rabobank Foundation focuses specifically on establishing and promoting co-operative savings and loan systems as well as farmers' Producers Organisations to stimulate economic development.

### → Organisation and participation

The AgriBusiness Forum enjoyed another record turnout this year, with around 450 participants from 57 countries from across the world. With delegates from 35 African countries, a large majority of African countries were represented, including Angola, Botswana, Burkina Faso, Burundi, Cameroon, Chad, Congo, Côte d'Ivoire, Democratic Republic of Congo, Eritrea, Ethiopia, Ghana, Guinea Bissau, Kenya, Liberia, Madagascar, Malawi, Mali, Mauritius, Mozambique, Niger, Nigeria, Rwanda, Senegal, Seychelles, Sierra Leone, South Africa, South Sudan, Swaziland, Tanzania, Tunisia, Togo, Uganda, Zambia and Zimbabwe. Delegates from outside of the African continent came from all four corners of the globe including Belgium, Canada, Dubai, France, India, Israel, Italy, Spain, the Netherlands, USA, and others.

### FORUM AGENDA - (PROGRAMME)

Day I	16 October 2011, Sunday
09h00	<b>REGISTRATION THROUGHOUT THE DAY</b>
14h00	<b>PRECONFERENCE WORKSHOP:</b> How to present your Project in order to obtain financing • <b>Arthur Levi</b> , Consultant, EMRC - Belgium
16h00	<b>PRESENTATION OF DELEGATES</b>
17h15	<b>ICEBREAKING EVENT</b> VISIT TO THE SABMILLER MUSEUM
Day II	17 October 2011, Monday
09h00	<b>OFFICIAL OPENING "AGRIBUSINESS FORUM 2011"</b> • <b>Idit Miller</b> , MD & Vice President, EMRC International - Belgium • <b>Pierre Mathijsen</b> , President, EMRC International - Belgium • <b>Ernest Fausther</b> , Officer in Charge designated, UNDP Regional Service Centre for East and Southern Africa - South Africa • <b>Lot Mlati</b> , Deputy County Representative, FAO - South Africa
10h00	<b>KEY NOTE ADDRESS</b> • <b>Morgan Richard Tsvangirai</b> , Prime Minister - Zimbabwe
10h15	<b>SESSION I: GENERAL OVERVIEW OF THE AGRI-FOOD SECTOR IN AFRICA</b> • Research and Development • From Small Scale farmers to Large Scale / Commercial • Regional Markets • Business Environment • Investment and Financial means • Food Security  <b>Moderator: Doyle Baker</b> , Senior Technical Officer, FAO - Italy • <b>Ralph von Kauffman</b> , Technical Coordinator, UniBRAIN - Kenya • <b>Roeland van de Geer</b> , Ambassador to the European Union Delegation - South Africa • <b>Perali Van Der Merwe</b> , Managing Director, Heineken Supply Co Pty Ltd - South Africa • <b>Moussa Seck</b> , President, Pan African Agribusiness and Agroindustry consortium (PanAAC) - Kenya
11h30	Coffee Break
11h45	<b>SESSION II: THE ROLE OF THE PRIVATE SECTOR IN STIMULATING AGRIBUSINESS-DRIVEN INCLUSIVE MARKET DEVELOPMENT</b> • Public-Private Partnerships • Multinational lead firm contributions • Regional lead firm contributions





- 11h45 **Moderator: Babatunde Omilola**, Practice Leader Poverty Reduction and MDGs, UNDP Regional Service Centre for East and Southern Africa - South Africa
- **Rian Coetzee**, Head Agro-Industries, Industrial Development Corp. (IDC) - South Africa
  - **Richard Rogers**, Senior Program Officer, Access & Markets Global Development, Bill & Melinda Gates Foundation - USA
  - **Marius Boshoff**, Country Manager Southern Africa, DuPont Crop Protection - South Africa
  - **Pierre Van Hedel**, Managing Director, Rabobank Foundation - The Netherlands

13h00 Networking Lunch

14h00 **PARALLEL WORKSHOPS**  
**WORKSHOP I: INCREASING PRODUCTIVITY**

- Moderator: Ilyas Abdul Rahman**, Chief Operating Officer, Innovation & Partnerships AIP ICRISAT - India
- **André de Jager**, Acting Director NWAFFD Intl Fertilizer Development Center (IFDC) - Ghana
  - **George Osure**, Program Director, Syngenta Foundation - Kenya
  - **Jason Scarpone**, President, I-partner group - USA
  - **Diji Charles Akinola**, Team Leader, O-REAP Planning Group - Osun State, Nigeria

**WORKSHOP II: OPPORTUNITIES FOR AGRIBUSINESS IN AFRICAN AGRICULTURE:**

- Moderator: Ralph von Kauffman**, Technical Coordinator, UniBRAIN - Kenya
- Drawing on African agribusiness incubation, rice development, Integrated Agricultural Research for Development (IAR4D) and Indian agribusiness initiatives
  - **Brian Mwanamambo**, CEO, Frontier Development Associates - Zambia
  - **Dr. Bangali Baboo**, National Director, National Agricultural Innovation Project - India
  - **Dr. Kiran K Sharma**, CEO, Agribusiness & Innovation Platform (AIP), ICRISAT - India
  - **Hiroshi Hiraoka**, Coordinator, CARD - Kenya

**WORKSHOP III: COUNTRY FOCUS ON ZIMBABWE**

- Investment and Business Opportunities
- **Trevor Chigwanda**, Director Economic Affairs, Office of the Prime Minister - Zimbabwe
- **John Bere**, Operations Director, Tetrad Group - Zimbabwe
- **Susanna Makombe**, Director/ Founding Member - African Women in Agriculture (New Faces New Voices) - Zimbabwe

**16H00-18H30 ONE-ON-ONE BUSINESS MEETINGS**

20h00 **Networking Evening**

**Day III 18 October 2011, Tuesday**

- 9h00 **PLENARY SESSIONS**  
**SESSION III: FINANCE FOR AGRI-FOOD GROWTH**  
**Moderator: Arthur Levi**, Consultant EMRC International - Belgium

**PART I:**

- Commercial Banks
- Donors and Foundations
- Private Equity Funds
- **Toni Agofure Phido**, Managing Director & CEO, BOI-Investment & Trust Company Ltd. - Nigeria
- **Hugh Scott**, CEO, Africa Enterprise Challenge Fund (AECF) - Kenya
- **Stephen Nairne**, Managing Director, Lundin Foundation for Africa - Canada
- **Anaar Kara**, Director Partnership, Planet Guarantee - France
- **Deepak Malik**, Project Director - Africa, Norfund - Norway

**PART II:**

- Development Finance Institutions
- **Saleem Karimjee**, Senior Manager IFC - South Africa
- **Geoffrey Manley**, Chief Investment Officer, Africa Development Bank (AfDB) - Tunisia
- **Louise McDonald**, Country Program Manager, International Fund for Agricultural Development (IFAD) - South Africa
- **Alfredo Abad**, Head, South Africa & the Indian Ocean, European Investment Bank (EIB) - South Africa

11h00 Coffee Break

11h15 **SESSION IV: BOOSTING REGIONAL AND INTERNATIONAL TRADE AND INVESTMENT**

- Moderator: Corin Mitchell**, AECF Southern Africa Director & KPMG DAS Director - South Africa
- How to improve Regional Value Chains
  - **Henry Minnaar**, Manager Agri-Programme, NEPAD Business Foundation - South Africa
  - **Mathabo le Roux**, Political, Economic & Trade Section, EU Delegation - South Africa
  - **Tomas Sales**, Manager African Facility for Inclusive Markets (AFIM), UNDP Regional Service Centre for Eastern and Southern Africa - South Africa

12h15 **EMRC - RABOBANK PROJECT INCUBATOR AWARD**

Presentations of project finalists

- Presenters: Pierre Van Hedel**, Managing Director, Rabobank Foundation - The Netherlands
- Arthur Levi**, Consultant, EMRC International - Belgium
- **Marie Crescence Ngobo**, Manager, Groupement des Agriculteurs Moderns d'Esse (GAME) - Cameroon
  - **Nowest Gomun Kemais**, Consultant, UCONAKO - Ivory Coast
  - **Jacobus Van der Merwe**, Managing Director, Mozambique Organicos Lda. - Mozambique
  - **Everlyne Cherobon**, Programme Coordinator, Emeden Kenya - Kenya
  - **Zilipa Nyirabyago**, Director, Moulins du Nil Blanc Entreprise (MNB) - Rwanda



13h15 Networking Lunch

#### 14h30 PARALLEL WORKSHOPS

##### WORKSHOP IV: INNOVATIVE TECHNOLOGIES FOR SMALL FARMERS

**Moderator: Melissa Chemam**, Reporter, VoxAfrica - United Kingdom

- Best practices and Lessons learnt
- **Gerry Van den Houten**, Technical, Supply Chain & Enterprise Dev Director, SABMiller - South Africa
- **Yariv Kedar**, President Sustainable Agriculture, Balton Group - Kenya
- **Amol Jadhav**, mFarmer Project Manager, GSMA Development Fund - Kenya
- **Philippe Villers**, President, GrainPro Inc. - USA

##### WORKSHOP V: INCLUSIVE BUSINESS MODEL FOR AGRIBUSINESS DEVELOPMENT

**Moderator: Henry Jackelen**, Director Private Sector Division, UNDP Partnerships Bureau - UN HQ

- Best practices and Lessons learnt
- **Stephen Wormald**, Managing Director, The Better Trading Company - South Africa
- **Sarah Holmes**, Business Mgr for West & Southern Africa, TechnoServe - South Africa
- **Jonathan Wood**, CEO, Corredor Agro Limitada - Mozambique

#### 16h30-19h00 One-on-One Business Meetings

20h00 **Gala Evening:** Presentation of the **Project Incubator Award 2011**, in the presence of government officials, ambassadors, media and the business community.

#### Day IV 19 October 2011, Wednesday

##### UNDP HIGH-LEVEL PUBLIC-PRIVATE DIALOGUE FOR INCLUSIVE GROWTH IN THE AGRI-FOOD SECTOR

9h00 **Moderator: Peter Ndoro**, Morning Live, SABC - South Africa

##### OPENING STATEMENTS AND PPD AIMS AND OBJECTIVES

- **Agostinho Zacarias**, UN Resident Coordinator and UNDP Resident Representative - UNDP South Africa

##### 09h30 THE NEED TO CREATE SPACE FOR PRIVATE SECTOR PARTNERSHIPS IN THE PUBLIC AGRIBUSINESS DEVELOPMENT AGENDA

- **Dr. Betty Achan Ogwaro**, Minister of Agriculture and Forestry - South Sudan
- **Dr. Doyle Baker**, FAO, Senior Technical Officer, FAO - Italy

09h55

#### PART I: TOWARDS A SHARED AGENDA FOR AFRICAN FOOD SECURITY

- Opening Remarks
- **Zerubabel Mijumbi Nyirira**, Minister of Agriculture - Uganda
- **Kelly Boucher**, Regional Director, Sub-Saharan Africa, Tetra Pak, Food for Development Office - Kenya
- Comments
- **Louise McDonald**, Country Program Manager, International Fund for Agricultural Development (IFAD) - South Africa
- **Amany Asfour**, President, African Alliance for Women Empowerment - Egypt

10h45

#### PART II: INCREASING TRADE AND INVESTMENT IN AFRICAN AGRO-FOOD SECTOR

- Opening Remarks
- **Ian Visser**, Group CEO, Pioneer Foods - South Africa
- **Thierry Revert**, Senior Advisor, National Organic Produce Initiative, UNIDO - South Africa
- **Chris Isaac**, Director, Business Development, AgDevCo and InfraCo - UK
- **Chungu Mwila**, Acting CEO, Alliance for Commodity Trade in Eastern and Southern Africa (COMESA) - Zambia

11h35

#### PART III: FURTHERING INCLUSIVE AND ACCELERATED GROWTH AND DEVELOPMENT

- Opening Remarks
- **Komla Bissi**, NEPAD Senior Agribusiness & Value Chain Advisor - South Africa
- **Geoffrey Manely**, Chief Investment Officer, Africa Development Bank (AfDB) - Tunisia
- **Ishmael Sunga**, CEO, Southern African Confederation of Agricultural Unions - South Africa
- **Brenda Barton**, Deputy Regional D

12h35

#### TOWARDS SHARED VALUES: A CHARGE TO THE AFRICAN AGRIBUSINESS CORPORATE COMMUNITY

- **Sullivan O'Carroll**, CEO, Nestle Southern Africa - South Africa

12h40

#### PRESENTATION OF THE JOHANNESBURG DECLARATION ON INCLUSIVE AFRICAN AGRIBUSINESS

##### PUBLIC-PRIVATE PARTNERSHIPS AND OFFICIAL CLOSING

UNDP & EMRC representatives

13h00

Official Closing Ceremony

13h30

Networking Lunch





## CONFERENCE REPORT

AgriBusiness Forum 2011:

**Engaging the Private Sector  
for Africa's Agri-Food Growth**





## EXECUTIVE SUMMARY

As the world's population passed the 7 billion mark in October 2011, the question of feeding humanity has never been more important than today. The African continent, with its vast untapped agricultural potential, will play a leading role in this regard over the next few decades.

The Agribusiness Forum 2011, held in Johannesburg from October 16-19, was one of the year's most important international gatherings on the African continent. It was an opportunity not just to take stock of the current situation of agribusiness on the continent, but also to chart a way forward for the sector.

Co-organised by EMRC International and UNDP and in collaboration with the FAO and Rabobank Foundation the Agribusiness Forum 2011 focused on the increasingly important question of how to engage further the private sector for Africa's Agri-Food growth. One of the main aims of the Forum was to strengthen the Agri-Food sector by encouraging partnerships, exchanging best practices and attracting investments.

The Forum was organized around topical key issues, including the role of the private sector in stimulating agribusiness-driven inclusive market development; access to finance for Agri-Food growth; innovative technologies; and the development of inclusive business models in the agribusiness sector. In every one of these fields, the consensus is that agribusiness is playing a strategic role in terms of Africa's economic development and its path out of poverty: Indeed, the World Bank's 2008 Development Report shows that GDP growth originating in agriculture is about four times more effective in raising incomes of extremely poor people than GDP growth originating outside the sector.

The Forum was attended by a large contingent of about 450 participants from almost every single country in Sub-Saharan Africa, as well as 20 other countries in Europe, Asia and the Americas. It culminated in the **Johannesburg Declaration on Inclusive African Agribusiness Public-Private Partnerships**, through which representatives from the private sector, government and civil society pledged to work together to develop and leverage Africa's agricultural potential.

A significant highlight of the event was, once again, the announcement of the EMRC-Rabobank Project Incubator Award winner, which this year went to Everlyne Cherobon, who presented Emeden Kenya's work with community farmers' training programmes. She won the much coveted US\$ 15,000 cash prize.

## INTRODUCTION

EMRC International's AgriBusiness Forum is fast becoming one of the African continent's most significant annual conferences. Each year, the AgriBusiness Forum attracts more delegates from the private sector, government and civil society from Africa and the rest of the world. This year the Forum was co-organised with the UNDP and in collaboration with the FAO and Rabobank Foundation.

AgriBusiness 2011 was themed around "Engaging the Private Sector for Africa's Agri-Food growth", and addressed a number of pressing topics in agriculture and food production, aimed at strengthening the Agri-Food sector in Africa, by encouraging partnerships, exchanging best practices and attracting investment across the continent. The Forum focused on a number of themes, including the role of the private sector in agribusiness-driven inclusive market development, increasing productivity, boosting regional trade and investment, and furthering inclusive and accelerated growth development.

The Forum was also deeply honoured by the presence of the Prime Minister of Zimbabwe, Morgan Richard Tsvangirai who delivered the keynote speech during the Forum's official opening.

During his keynote address, Prime Minister Tsvangirai did not shy away from mentioning some of the most pressing topics affecting Africa's prospects: "Agriculture, he said, is at the heart of investment opportunities, not only in Zimbabwe but also in the rest of Africa. We can feed ourselves, and the world, but prudent policies are a precondition for that to become reality".

The Forum was also, once again, an ideal opportunity for investors and business leaders to hold business-to-business meetings, facilitated by EMRC's specialized teams. Many of these meetings will result in agreements, partnerships and investments that will engage the private sector and governments to develop Africa's agricultural potential.





## DAY I: SUNDAY 16 OCTOBER 2011

### PRE-CONFERENCE WORKSHOP

#### → Pre-conference workshop / Introductory Session. Sunday 16 October 2011

As delegates continued to arrive in Johannesburg throughout the day, the traditional introductory session and pre-conference workshop took place. More than ever before, the session demonstrated that the AgriBusiness Forum attracts a diverse and high-calibre audience, with senior representatives from the private sector, the non-governmental sector and government.

The introductory session and pre-conference workshop allowed delegates to introduce their activities, and state their objectives and expectations from the Forum, which included an opportunity to build links and new partnerships aimed at improving agricultural practices in the African continent.

Several delegates also referred enthusiastically to the concept of "growing inclusive markets", demonstrating that the idea of applying market-based solutions to improve agricultural practice on the African continent is capturing the imagination of many actors in the sector.

In the evening, the participants were welcomed to the SABMiller Museum in downtown Johannesburg. The interactive 1-hour tour allowed participants to learn about the history of the company and understand the various stages of beer production throughout the years. Business networking started during the dinner, hosted by SABMiller. SABMiller is one of the world's largest brewers, with more than 200 beer brands and some 70,000 employees in over 75 countries.



## DAY II: MONDAY 17 OCTOBER 2011

### OFFICIAL OPENING CEREMONY OF THE CONFERENCE

#### Idit Miller, Vice President and Managing Director EMRC International - Belgium

Mrs. Miller took to the podium to announce the official opening of the Forum. "It is a great honour", she said, "to once again hold the Forum on the African continent. Our goal is to achieve lasting growth and a sustainable model and ensure that the vision becomes reality".

"Your presence and large turnout", she continued, "highlight the importance of the topics that we are going to address over the next few days. Many hundreds of millions of people depend on agriculture, as it supports the livelihoods of 70% of the population on the continent. Over 7 billion people have to be fed worldwide, and Africa can play a significant role in this regard".

"This gathering is unique", Miller continued. "'Together' is the key word: Nobody can achieve sustainability on their own. There are 57 countries represented today, of which 35 are from Sub-Saharan Africa and 18 from the rest of the world. I wish for each of you to find the right partner for your business, and to ensure social and economic stability". Finally, Miller thanked the Forum's main sponsors: "This Forum would not have been possible without FAO and Rabobank Foundation, and we also thank our partners and collaborators".

#### Prof. Pierre Mathijsen, President of EMRC International - Belgium

Prof. Mathijsen followed Miller, underlining that the purpose of the Forum was to bring together people who want to invest in Africa and people who have projects in Africa. He highlighted that the most difficult part is to find a good project for which funding can be obtained. There is enough money to fund projects - the challenge is to channel the available resources properly. "Agriculture" he added, is the future of Africa, and we need to find the resources and apply the policies that allow us to reinstate Africa's status as a net food exporter. Today Africa imports food - surely a peculiar situation that needs to be remedied. In this regard, our partnership with agencies such as UNDP is of prime importance".



**Ernest Fausther, Officer-in-Charge designated, UNDP Regional Service Centre for East and Southern Africa - South Africa**

Following Prof. Mathijsen's introductory remarks, Ernest Fausther, was next on the podium. Noting that agriculture employs 60% of Africa's workforce, it is a key to poverty alleviation and hunger reduction. "Right now", he said, "we are witnessing a horrific famine in parts of the Horn of Africa where millions of lives are at risk. We - collectively - need to address immediate needs and long-term growth in Africa's agrifood sector." The Millennium Development Goals (MDGs) cannot be achieved without an inclusive private sector. Therefore, Fausther added, "intensified dialogue and innovative partnerships and collaboration between the private and public sector and development partners is needed".

Fausther went on to outline the role of UNDP in this regard. "UNDP", he said, "is a leading agency in promoting inclusive economic growth and we bring a wealth of experience through global and regional initiatives and country support. We have experience in assisting government partners all over Africa. Towards this goal, UNDP, as a neutral broker facilitates public-private collaboration platforms creating space for government and industry, small and large, to come together to identify barriers, define strategies and take coordinated action to enhance inclusive growth and competitiveness of key agriculture sectors".

"UNDP's strategy for inclusive economic growth is to facilitate the development of inclusive markets integrating people living in poverty into local, regional and international value chains, and to strengthen smallholders and entrepreneurs, thus creating jobs and income opportunities for the provision of basic goods and services including food. UNDP has earlier this year launched a regional project, the African Facility for Inclusive Markets (AFIM), partnering with governments, regional organisations and local and international businesses to promote inclusive market development, foster regional value chains in job creating sectors and establish regional and continental communities of practice. UNDP works closely with other UN Agencies, including FAO, IFAD, UNIDO, WFP, ILO and others, in facilitating synergies of what the UN System has to offer in the area of agribusiness and agriculture value chain development. Let us unleash the potential of Africa's agrifood sector with income opportunities and food security for all, particularly for women and for young people," Fausther concluded.



**Lot Mlati, Deputy Country Representative of FAO - South Africa**

Next in line was Lot Mlati, Deputy Country Representative of the Food and Agriculture Organisation in South Africa. Mlati started by emphasising FAO's strategy for development, which is "to help meet the food supply chain challenge". Echoing the first speakers, he stressed the crucial role of the private sector in developing the agricultural sector in Africa. "During the last 4-5 years, FAO has moved to foster public-private dialogue to promote collaboration with the private sector to develop agriculture. FAO has been active in this regard, and our involvement here at the EMRC-UNDP AgriBusiness Forum 2011 is just one example of our actions", he said.

Furthermore, "FAO is providing technical and financial support to EMRC. The EMRC-UNDP AgriBusiness Forum 2011 is an excellent platform to promote dialogue and strengthen B2B and public sector to business collaboration". Mlati concluded his intervention with a forceful message regarding one of the biggest challenges facing the agricultural sector in Africa, and perhaps globally: "More needs to be done", he said "to address the issue of food price fluctuations. We need to reflect seriously on this issue and about what needs to be done to reduce the impact on the one billion people who have barely enough to eat".





## OPENING REMARKS

### → The Hon. Prime Minister of Zimbabwe, Morgan R. Tsvangirai

The keynote speech was delivered by the Hon. Morgan Richard Tsvangirai, Prime Minister of Zimbabwe. The Prime Minister captured the audience's attention with a forceful speech, and, in characteristic fashion, did not shy away from sensitive topics affecting the broader political climate in which actors in the agricultural sector in Africa are operating. The Prime Minister started by reminding the delegates that "the current starvation and acute food shortages, especially in the Horn of Africa, is a wake up call on the need not only to take agriculture seriously, but also on how we can marshal our collective efforts to ensure that no one in humanity starves".

"We have as Africans traditionally concentrated on ensuring domestic sustenance, we are clearly moving towards more commercial agriculture. This necessitates training and massive investment, so that we can not only satisfy our needs but also export food".

"We need to examine the key direct and indirect determinants affecting food security in Africa", he contended, reminding the audience once again that "raising productivity is the most effective driver of economic growth in the world's poorest countries". The Prime Minister then raised a fundamental question: "Why has Africa become poor and food insecure, despite our having arguably the best agricultural potential, and not even mentioning our mineral wealth?" "Political instability, failure to access loans, and low financial liquidity", he answered, "continue to undermine us". As a result, he said "food security remains a pressing issue in Zimbabwe, and rates for chronic and acute food shortages range to around 37%. We used to be the breadbasket of Southern Africa, until political actors destroyed a noble land reform programme, which descended into a chaotic enterprise". "The nobility of land redistribution was never in doubt", the Prime Minister insisted. But, he remarked, "the land redistribution programme became an avenue for avarice, looting and aggrandizement, as politically connected grabbed farms, leaving former farmers destitute and ordinary Zimbabweans crowded out. Regrettably, I need to say to you that it is not land reform when you take land from a few whites, and give it to a few blacks".

As government, our major challenge is to ensure that we support this sector by moving away from rhetoric and into the practicalities of land productivity. I believe in empowering small farmers, but not without title deeds, training, markets, and support for small farmers to enable beneficiation and value addition to their production".

"We cannot have a progressive society by creating more peasants without security of tenure and without the relevant supporting infrastructure to meaningful agriculture that averts food insecurity". We also need to address our toxic politics, by averting violence, stopping new land invasions and instead concentrate on how we can ensure the productivity of our new farmers". To kick-start agricultural revolution, the

transitional government in Zimbabwe has agreed to find a lasting solution to the issue of land in Zimbabwe".

"The distribution of land for the public good is an issue in many countries, and must be completely depoliticized".

The constitutionality and rule of law must be the basis with which any democratic government must approach this issue. Without these guarantees, attracting investment in this key sector will remain a pipedream".

"We are calling for the compensation of former owners of commercial land, and the principle of one family, one farm".

The Prime Minister concluded his forceful intervention with a direct challenge to the audience: "Investment opportunities exist in the agricultural sector in Zimbabwe. Africa can feed itself and the world, if our policies are in synch with international best practices, and if our governments commit to transforming agriculture into a viable industry. I challenge you to come up with practical recommendations, and resolutions, and I also call upon all of you to pray for a peaceful and violence free election in Zimbabwe".

The delegates saluted the Prime Minister's intervention with warm applause. The Prime Minister then fielded a number of questions from the audience, offering favourable views on GMO crops, and once again emphasising the imperative for political stability and the rule of law as a precondition for investment.

## SESSION I: GENERAL OVERVIEW OF THE AGRI-FOOD SECTOR IN AFRICA

With the opening ceremony completed, and the stage set by the opening remarks, the conference proceedings could start in earnest.

Moderated by **Doyle Baker, Senior Technical Officer, FAO**, the first session focused on a general overview of the Agri-Food sector in Africa.

**Ralph Von Kaufmann, Technical Coordinator, Forum for Agricultural Research in Africa (FARA) - Ghana**

"Everything you know about African agriculture is wrong", Von Kaufmann started. "It is not doing badly: Food production per head may have decreased, but total productivity is improving. It needs to increase further, and post harvest losses reduced, but for that to happen, the private sector needs to get involved".

FARA's main role is to develop new knowledge and technology. FARA's main aim is food security: to make food available, affordable, safe, nutritious, and dependable. We cannot achieve this without the full involvement of everyone. Use universities as sources of skills and talents.



### Roeland Van de Geer, Ambassador of the European Union - South Africa

Von Kaufmann was followed by Roeland Van de Geer, Ambassador of the European Union in South Africa. Ambassador Van de Geer underlined a point also made earlier by Prime Minister Tsvangirai, namely that food production is one of the major challenges that the world is facing, especially in the context of climate change. "It is very fitting", the Ambassador noted, "that COP 17, the next conference on climate change in November 2011, will be held in Durban".

He went on to highlight the importance that the EU attaches to agricultural development in Africa. "The EU is very keen to contribute to the sector through the relevant regional organisations in Africa", he said. "Our approach rests on 4 pillars:

- Market access
- Agricultural research
- Water and land management
- Food supply to combat hunger

Van de Geer also raised the importance of reducing post-harvest losses.

"We need to improve the dissemination of existing research. We support the regional food security risk programme and are ready to go into further interventions there. We owe it to the African farmers to improve their environment as well as the international environment in which they function" he went on. However, "we fully realize that many countries do not have the resources. Referring to the market distortions caused by the Common Agricultural Policy (CAP), he assured the delegates that "the EU is committed to levelling the international playing field". The EU wants to improve trade relations with Africa, as is illustrated by the Economic Partnership Agreements (EPAs) currently being negotiated with many of its partners on the continent, he added. "Our biggest level of support", he followed, is to improve the enabling environment. We encourage governments to create the enabling environment and then leave it to the farmers and the markets. We look forward to your findings", he concluded.

### Peralt Van Der Merwe, Managing Director, Heineken - South Africa

The third panellist of the session was Peralt Van Der Merwe, Managing Director at Heineken Supply South Africa. Heineken's footprint in Africa goes back more than a hundred years, with its first beer sold in 1900, and its first brewery opened in 1923. Today, Heineken owns 36 breweries in 20 countries in Africa. "An analysis by The Economist magazine found that six of the world's 10 fastest-growing economies are located in Africa", he said, and "companies without an Africa strategy are at risk of being left behind".

A cornerstone of Heineken's approach to have a positive impact on agriculture in Africa is to ensure the local sourcing of raw materials, helping empower local farmers. "This policy is at the heart of our procurement policies", says Van der Merwe, "allowing us to shorten the supply chain". "Our aim is to source 60% of our raw materials locally, as well as to provide training to farmers".

"We thereby have a positive impact on the communities and countries in which we operate, and have conducted several Economic Impact Assessments (EIAs) by external agencies that measure our impact in the markets in which we operate, on the basis of jobs we create directly and indirectly. "At this point, Heineken employs 30,000 people around the continent. The health of our employees is also of primary importance: We run 26 clinics and employ doctors, lab technicians and nurses".

Our local procurement policies ensure that we:

- 1) Secure a sustainable supply of raw materials for our beers in Africa;
- 2) Help to strengthen the competitiveness of the African agricultural sector, eventually lowering the prices of local grains;
- 3) Improve the livelihoods of rural households over time;
- 4) Reduce our own carbon footprint by shortening our supply chains for raw materials and cutting transportation costs.

### Our business has...



### Moussa Seck, President, Pan African Agribusiness Consortium (PanAAC) - Senegal

The final presentation of this session was given by Moussa Seck, President of PanAAC. "Will Africa meet the food demand?" Seck asked, before demonstrating to the participants how the Pan African private sector could provide an answer to this question. "The amazing specifics of the African continent give us a unique advantage when it comes to agricultural potential", Seck declared. Indeed, "our continent is entirely situated between the 40th parallel North and the 40th parallel South. Consequently, we have the potential to grow almost anything on a year-round basis, by alternating production of different crops north and south of the Equator". "But still, the US, India and Europe produce as much food in two weeks as we produce in one year". PanAAC offers a new vision, Seck contended:





Agropoles, a platform for information, technology, strategic partnerships and financial remediation for stakeholders in agribusiness and the agro-industry in Africa:

- Providing "Management Organisation" of value chains for a country
- Involving the private sector throughout the supply chain from local to regional levels
- Organising platforms for the private sector at all parts of the supply chain.
- Leading on identifying needs and allocating roles.
- Cementing a virtual marketplace giving synergy between actors and resources.
- Knowledge sharing, political will, resource mobilisation within the private sector

Seck concluded with well received words of wisdom: "The role of agriculture", he said, "is not just to feed people, it is to save time for people to do something else. When you have enough food, you have time on your hands to start a civilization, to develop society".

## SESSION II: THE ROLE OF THE PRIVATE SECTOR IN STIMULATING AGRIBUSINESS-DRIVEN INCLUSIVE MARKET DEVELOPMENT

Moderated by **Babatunde Omilola, UNDP Regional Practice Leader for Poverty Reduction and MDGs**, the second plenary session was themed around the role of the private sector in stimulating agribusiness-driven inclusive market development.

### Riaan Coetzee, Head of Agro-Industries, Industrial Development Corporation (IDC) - South Africa

First on the podium was Riaan Coetzee, Head of Agro-Industries at the Industrial Development Corporation (IDC). The IDC is the publicly owned industrial development agency of South Africa, and a major Development Finance Institution (DFI) on the African continent. In almost seven decades of existence, it has made a major contribution towards turning South Africa into the continent's industrial powerhouse. Since 2000, its mandate has been widened to include not just its home country but the continent as a whole, as part of South Africa's commitment to the New Partnership for Africa's Development (NEPAD). The IDC is an increasingly important actor in Africa's agricultural value chains, with more than 4.5 billion Rand (ca. US\$ 500 million) in investments held through its Strategic Business Unit (SBU) covering Agro-Industries. The SBU focuses on three main areas, namely agro-processing (food and non-food), beverages, and aquaculture.

IDC's role, Coetzee continued, was not limited to financial support, but also to providing critical proactive and reactive policy advice, as well as project bankability support, external entrepreneurial training and socio-economic advice to broad-based groupings. There was an urgent need, he said, to support private actors in the agribusiness sector with equity finance rather than just debt finance. IDC is also partnered with the European Union and others to encourage competition in the value chain. IDC has expanded significantly over the past few years in Southern and East Africa, with ventures in Mozambique, Malawi,



Tanzania, Kenya, Ethiopia and Namibia. Coetzee concluded his presentation with two case studies in South Africa.



### Richard Rogers, Sr Programme Officer, Access and markets Global Development, Bill & Melinda Gates Foundation - USA

Next on the podium was Richard Rogers, from the Bill and Melinda Gates Foundation.

"Agriculture has become a key area of our Access and Markets development programme, with total commitments so far of US\$ 1.8 billion. We want to leverage the expertise of farmers in Africa. "Business", he continued, "is the only sector that creates wealth - government does not, and NGOs don't. We need to be very clear about what the value propositions are, and there is a need to translate into language that business understands".

Rogers also emphasised the importance of measuring results: "Rigorous monitoring and evaluation is required - not just the numbers of people trained, but the actual increase in yield". Another key factor was to do market research and segmentation: "Who is THE African smallholder farmer? How can we understand their needs, motivations? It's not about what we think they should want, but what they actually want", he added.

In conclusion, Rogers said, "there is a need to better define KPIs (Key Performance Indicators) and to evolve from a CSI (Corporate Social Investment) approach towards something that integrates business DNA into the models".



#### **Marius Boshoff, Country Manager Southern Africa, DuPont crop protection - South Africa**

Marius Boshoff from DuPont crop protection spoke next. "There are three megatrends we see in the world and in Africa", Boshoff started, "and these will shape the nature of business in the future:

- Feeding the world,
- Reducing our dependency on fossil fuels, and
- Keeping people and the environment safe.

These challenges are far too big for any one government, or company, to address. DuPont is a significant player in the market, with over US\$ 10 billion invested in agriculture and nutrition. "We are focused on the input - we can make a difference at village level", says Boshoff. DuPont provides input at three levels:

- Partnering with local farmers and growers to increase their crop yields
- Working side-by-side with manufacturers and retailers to provide better nutrition and improve packaging
- Collaborating with regulators to find better ways to ensure food safety and security

"Finding ways to provide everyone with enough safe, nutritious food has become a complex global problem", Boshoff continued. "DuPont is bringing its breadth of scientific knowledge and expertise to bear on these challenges in collaboration with growers, governments, and other companies around the world. We're helping farmers get the products and expertise they need to bring abundant crops to market. Developing packaging that helps perishable foods reach their destinations without spoilage. And working with manufacturers and retailers to improve the nutritional content, testing and safety of the foods we enjoy every day."

"It's well known that the amount of arable land that can be used for food production is limited for the most part to what we have today. The market opportunity, therefore, is to produce more food on a fixed number of acres. And there is a corresponding demand for better food - diets with higher protein content, for example".

Boshoff then expanded on DuPont's role in the seed business, with Pioneer Hi-Breed, working with farmers to find the right product for the right hectare. Another example is DuPont Crop Protection, providing the global agriculture industry with new solutions to help grow better, healthier crops, protected against weeds, diseases and insect pests with a new family of low-toxicity insecticides.

These innovations will play an important role, Boshoff said. But, he warned, "You cannot run a project in a bad policy environment". His final message was that investors must be patient: "Be resilient - if you're in for a fast profit, don't bother".



#### **Pierre Van Hedel, Managing Director, Rabobank Foundation - The Netherlands**

The final panellist of this session was Pierre Van Hedel, Managing Director of the Rabobank Foundation.

"We are on an unsustainable track", Van Hedel remarked. "One billion people suffer from obesity while another billion is starving". Among the other challenges we face is the unequal economic growth, environmental degradation and the fact that we're running out of vital natural resources".

"How will we produce the additional food required by 2050?" he asked. An FAO study provides some answers to this question: The world will need to increase plant production by 70%, increase cropping intensity by 14%, and yields by 77%. The amount of available arable land will only increase by 9%, so yields will have to increase very sharply, by around 77%.

In Asian and African countries, small-scale farms account for approximately 90% of the farm holdings and occupy around 60% of the farmland, while average crop yields are low. The business case for global food security involves linking farmers to markets and integrating them into the food supply chains within an economically viable perspective on global food supply system. Corporate and public players in the food supply chain, says Van Hedel, are increasingly aware of this new reality.

A crucial challenge in this approach is the fragmented farm structure consisting of large numbers of farm holdings.

In addition, says Van Hedel, "small-scale farms have to get organized in producers organizations (POs') in order to benefit from the economies of scale of large-operations and to comply with high food standards of dynamic consumer markets". Rabobank Foundation is involved in 200 agribusiness projects in 25 countries around the developing world.

Echoing remarks by earlier panellists, Van Hedel concluded with the need for political stability and sound policies: "We'd like to invest in reliable political environments".





## PARALLEL WORKSHOPS

Proceedings resumed in the afternoon with parallel workshops: Increasing Productivity, and Opportunities for Agribusiness in African Agriculture.

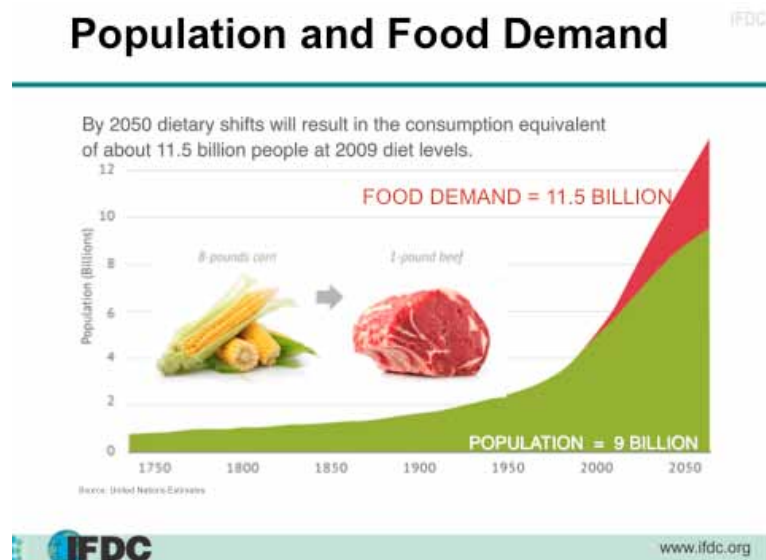
### → WORKSHOP I: INCREASING PRODUCTIVITY

Moderated by **Ilyas Abdul Rahman, COO Innovation and partnerships of AIP ICRISAT**, Workshop I focused on increasing productivity in agriculture.

#### **Andre de Jager, Acting Director NWAFF, Intl Fertilizer Development Center (IFDC) - Ghana**

The first workshop opened with a presentation by André de Jager, Acting Director NWAFF Intl Fertilizer Development Center (IFDC) - Ghana entitled: Realizing Agricultural Productivity Increase in Africa: Intensification through Technical and Agribusiness Innovations. He overviewed the current challenges (e.g. food demand and production, access to markets), the role of the IFDC (increased sustainable agricultural productivity), technical production innovations (e.g. seeds and pest management), and agribusiness innovations before concluding by arguing for agricultural intensification through public-private partnerships and well functioning input and output markets, but also taking into account financing and risks.

## Population and Food Demand



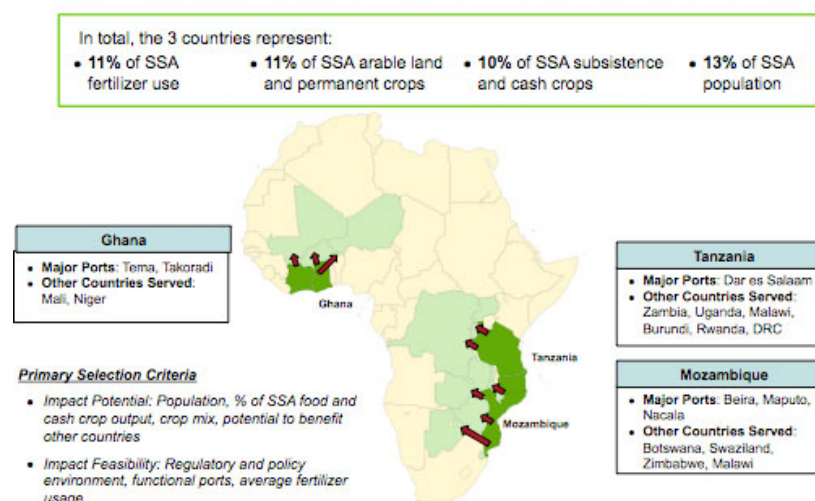
#### **George Osure, Program Director, Syngenta Foundation - Kenya**

Following de Jager, George Osure, Program Director of Syngenta Foundation - Kenya, gave a presentation on how to increase agricultural productivity by making the required links at the beginning. He gave an overview of the current factors in productivity (i.e. gross margins, yield changes, and losses) before suggesting a service package to address the various avenues that affect productivity. He concluded that by reducing transaction costs, creating enabling legal structures, and managing soil health, productivity could be vastly improved.

#### **Jason Scarpone, President, I-partner group - USA**

Jason Scarpone, President, I-partner group - USA, was the third presenter of the workshop. His presentation, entitled "African Fertilizer Agribusiness Partnership (AFAP): Opportunities for Collaboration" outlined the AFAP's objectives and metrics before moving into the AFAP's model. Initially the AFAP targeted three countries which acted as "gateways" to other countries in their region. Through this method, they found that there were barriers to access to fertilizers, and conditions for change were key levers for doing so. He described their system for improving both fertilizer access and affordability, to expand supply and improve finance, and to strengthen demand and improve policy. AFAP partnerships facilitate the accomplishment of these goals.

### Initially targeting 3 countries, that act as gateways to 11 others

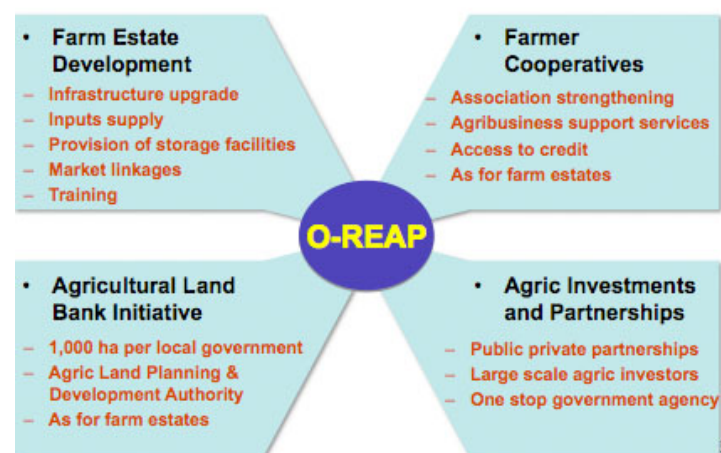




**Diji Charles Akinola, Team Leader, O-REAP Planning Group - Osun State, Nigeria**

The final presentation was given by Diji Charles Akinola, Team Leader, O-REAP Planning Group - Osun State, Nigeria, who explored the "Osun State Agriculture Development Strategy: Increasing Productivity through Partnerships". He opened his presentation with a discussion of the challenges to productivity in agriculture, including lack of investment, land access rights, and inadequate infrastructure. To address these various challenges he suggests focusing on mass food production, specifically farm estate development, farmer cooperatives, agricultural land bank initiatives, and agri investments and partnerships.

### Programme Components



### → WORKSHOP II: OPPORTUNITIES FOR AGRIBUSINESS IN AFRICAN AGRICULTURE

**Ralph von Kauffman, Technical Coordinator at UniBRAIN - Kenya** moderated the second workshop focusing on the real tangible agribusiness opportunities.

Von Kauffman introduced the panellists and proceeded to ask a pressing question, that would be asked repeatedly during the conference: Why did Africa miss the green revolution? Von Kaufmann challenged the panellists to provide some answers to this question, but also emphasised the good news, namely that "there is willingness to invest in agriculture. Conditions in Africa necessitate a program for agricultural transformation", he said, before handing the floor to the panellists.



**Brian Mwanamambo, CEO, Frontier Development Associates - Zambia**

The first speaker was Brian Mwanamambo of Frontier Development Associates. "We have heard many things today, including that Africa is lacking investment", he started, "and we need to remedy that". "Wide scale investment in agribusiness and agro-industry in Africa is presently constrained by human and institutional capacity deficits", he continued. "African universities are not sufficiently geared to meet the needs of industry, and the relationship between the demands of the private sector and what universities teach is too weak, most clearly in the agricultural sector".

UniBRAIN, a pan-African initiative supported by Denmark, seeks to reduce the wide gap between what the universities are teaching and the needs of the agribusiness industry. It seeks to create an effective platform through which the research can be connected to the field, and provide for the needs of agribusiness. It has already created 5 incubators around the continent which will be operational as from 2012, located in Uganda, Zambia, Kenya, Ghana, and Mali.

The mission of these incubators is to facilitate the creation of competitive agribusiness enterprises through technology development and commercialization.

Mwanamambo then encouraged the delegates present at the Forum to contact the representatives of these incubators, in order to create partnerships.

### **Dr Bangali Baboo, National Director, the National Agricultural Innovation Project (NAIP) - India**

Dr Bangali Baboo, National Director of the National Agricultural Innovation Project (NAIP) of the Indian Council for Agricultural Research (ICAR), was the next panelist. India comprises 2.4% of the world's area, 17% of world's human and 11% livestock population, he said. With 142m ha of cultivated land and 60m ha of irrigated land, agriculture remains a critically important sector of India's economy and society: 52% of the population earns a livelihood from agriculture, which contributes 14.2 to the country's Gross Domestic Product (GDP) and totals 10.23% of export earnings.

The success of India's Green Revolution, said Dr Baboo, shows that it is possible to significantly increase food production in a matter of a few decades. The Indian Council for Agricultural Research (ICAR) played a fundamental role in this regard, through its research and technology development that has resulted in a 4-fold increase the production of foodgrains, for instance. ICAR is present throughout the country with 97 institutes across India. It has strong scientific resource base and a proven track record of technologies with high payoffs. With a US\$ 250 million budget, it does not just conduct strategic research in frontier areas but also aims at improving the agricultural system's efficiency, alleviating poverty and generate income for small scale farmers. Through its Business Planning and Development Units (BPDUs), it encourages, nurtures and supports technologists and scientists to turn their innovative research ideas into commercial ventures.





ICAR also provides a unique platform for the development of agribusiness, including through a network of incubators across the whole of India. It is exploring agribusiness opportunities through South-South Collaboration by:

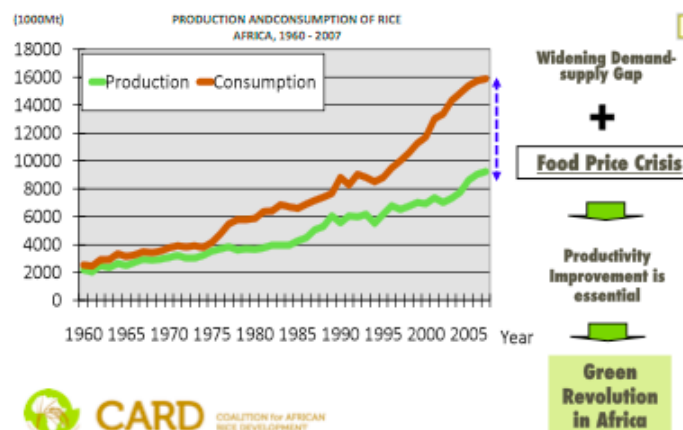
- Facilitating two-way technology transfer and commercialization between India and Africa
- Strengthening the capacities of African agribusiness managers and operatives
- Facilitating soft landings for Indian firms wishing to enter Africa for agribusiness
- Facilitating linkages for African agribusinesses seeking partnerships and export opportunities with Indian agribusinesses
- Establishing a strategic alliance for initiating the Global Agri Business Incubator network (GABI)

#### Dr Kiran K Sharma, CEO, Agribusiness & Innovation Platform (AIP) ICRISAT - India

Dr Kiran K Sharma, CEO of the Agribusiness & Innovation Platform (AIP), ICRISAT - India rounded up Workshop II with a presentation entitled "Towards the GABI Initiative". Sharma opened by explaining ICRISAT's mission to reduce poverty and enhance food and nutritional security through science. As part of this mission, the AIP was formed as a model for fostering technology transfers and R&D outputs. He went on to explain other projects of ICRISAT, including the Agri-Business Incubation Program (ABI), which focuses on co-business incubation and partnerships, as well as the Network of Indian Agri-Business Incubators (NIABI). As a prime example of South-South partnerships, ABI is currently working on setting up an agribusiness incubator in Mozambique

#### Hiroshi Hiraoka, Coordinator, Coalition for African Rice Development (CARD) - Kenya

Hiroshi Hiraoka, Coordinator for the Coalition for African Rice Development (CARD) - Kenya, shared CARD's approach to promoting the private sector. He started by looking at the context for a green revolution in Africa and how the development of the rice sector, and CARD specifically, contributes to this revolution. He identified various approaches for doubling rice production in sub-Saharan Africa by 2018, including addressing the value chain and rice AEZs, as well as launching national rice development strategies and aligning them within an overarching framework that connects with the private sector and is supported by government.



#### → WORKSHOP III: COUNTRY FOCUS ZIMBABWE

The purpose of this workshop is to address the expectations and investment opportunities in Zimbabwe's food sector. The workshop was moderated by **Idit Miller, VP and Managing Director of EMRC International**.

#### Trevor Chigwanda, Director at the Prime Minister's Office - Zimbabwe

The first panelist was Trevor Chigwanda, Director at the Prime Minister's office. Chigwanda pointed out that there are many opportunities in the country's agricultural sector, especially for the production of cotton, tobacco, maize, and tea. The fact that inflation has been brought under control and has now reached acceptable levels of around 3% per annum further reinforces the case for investing: "This is probably one of the best times to invest in Zimbabwe", Chigwanda said. Responding to questions from the audience, Chigwanda explained the recent changes the government of Zimbabwe has implemented in terms of rules governing land ownership in the country. "The most important requirement that is currently being imposed by the state is the "one man, one farm" rule, a question that will also be one of the main points on the government's agenda after the general elections schedules for the third quarter of 2012", he said.

Zimbabwe has also established an investment promotion agency in order to assist potential investors and reduce bureaucratic and administrative hurdles for investors. This will significantly speed up the process of approving investment and reduce the approval timeframe to less than a week after receiving proposals. The Transitional Government is also ready to make some changes in the laws restricting capital outflows, and invites entrepreneurs to submit their proposals to the Prime Minister's Office.

#### John Bere, Operations Director, Tetrad Group - Zimbabwe

John Bere, Operations Director, Tetrad Group - Zimbabwe further reinforced Chigwanda's words: Zimbabwe, he said, "provides great opportunities for foreign investors, and is making every effort to reduce the impact of the economic crisis that affected the country in recent years". In the financial sector and micro credit, despite the risks, there is great potential for farmers currently engaged in petty trade, as evidenced by the recent increase in tobacco production.

However, it is no secret that conditions over the last few years were not conducive to increasing productivity, and that the agricultural sector has also suffered from a lack of resources. However, the Central Bank of Zimbabwe has stepped in to address these challenges and is contributing to the development of this sector through the allocation of credits.



Bere also stressed the importance of Zimbabwe's 2010-2015 economic plan aimed at increasing national income by 60%. This plan has the support from the World Bank and civil society, and will be instrumental to achieve a significant recovery in the fields of agriculture and tourism.

#### **Susanna Makombe, Founding Member, New Faces New Voices - Zimbabwe**

Susanna Makombe, representing the Project "New Faces, New Voices" (led by Graça Machel), was the final panelist in this workshop. New Faces, New Voices, is leading projects focusing on rural women, aiming to improve farming conditions, increase income and leverage the development potential of agriculture.

"Living conditions in Zimbabwe are undeniably extremely difficult," she said, pointing to the need to improve access to health care and education, and the urgency to control the high rate of HIV infection and AIDS. "These conditions have had a very negative impact on populations, preventing the economic and social development, and therefore the ability to obtain bank loans to close the banks".

But agriculture is a key sector from which these conditions can significantly improve, Makombe said. She called on investors to take advantage of business opportunities in rural areas, supporting people with training on how to produce and how to sell. "The micro-credit projects play a crucial role in the development of Zimbabwe, and we must follow the example set by other African countries like Kenya and Ghana, who managed to attract investors from all over Africa and to share know-how with them".

Idit Miller closed the proceedings and invited investors to explore opportunities in Zimbabwe and specifically to invest in the entrepreneurial potential of women.

### **DAY III: TUESDAY 18 OCTOBER 2011**

#### **SESSION III: FINANCE FOR AGRI GROWTH**

Moderated by **Arthur Levi**, former **Director** at IFC and **Consultant** for **EMRC International**, Session III dealt with the challenge of raising finance for Agri Growth.

#### **→ PART I: COMMERCIAL BANKS, DONORS AND FOUNDATIONS, PRIVATE EQUITY FUNDS**

#### **Tony Phido, Managing Director/CEO, Investment & Trust Company Ltd., Bank of Industry - Nigeria**

The first speaker was Tony Phido, from the Bank of Industry (BOI), based in Nigeria. In 2005, BOI made a strategic decision to focus on SMEs, partly as a result of the failure of support provided to large companies in the past. At the present time, the bank has made the decision to lend up to 90% of its resources to SMEs, and the agribusiness sector is a very important part of that.

The first step, Phido told the delegates, was to build capacity. The bank organised workshops around the country, bringing together skilled and semi skilled people and fostering entrepreneurship. The bank, says Phido, seeks to provide a market-based mechanism for state governments to create enterprises. "We are also taking businesses that are thoroughly informal and helping them to organise themselves into cooperatives", he added. We have, for example, organised a 100bn Naira Loan (US\$ 650mn) with the assistance from the Central Bank, to develop the cotton value chain."

#### **Hugh Scott, Chief Executive Officer, Africa Enterprise Challenge Fund - Kenya**

The second speaker was Hugh Scott, CEO of the Africa Enterprise Challenge Fund (AECF), focusing on how to fund innovation for business in Africa. AECF channels donor money to the private sector on a competitive basis. It is an Africa-wide fund, seeking to make an impact on smallholder farmers.

AECF is an innovative financing mechanism, Scott said: "We have concessionary finance allocated to us which we make available to the private sector through a competitive challenge. "We provide grant money and zero interest loan money, for amounts between US\$ 500,000 and US\$ 1.5 million", Scott continued. AECF currently supports 87 projects in 17 countries, benefiting an estimated 3 million people in rural areas. Focus areas are agribusiness, rural finance services, renewable energy and adaptation to climate change. The fund was launched in June 2008 with a start-up capital of US\$35 million, which has now grown to US\$150 million.





Three windows for funding were currently open, according to Scott: The Agribusiness Africa Window, the South Sudan Window, and the AECF React Round 2 window (A special funding window for business ideas that are based on renewable energy and adaptation to climate technologies).



#### Stephen Nairne, Managing Director, Lundin Foundation - Canada

The next speaker was Stephen Nairne, Managing Director of the Lundin Foundation. The Lundin foundation was founded in 2005. It is based in Vancouver, Canada and affiliated with the Lundin Group of Companies, who have operated successfully in Africa for more than 35 years. It invests US\$ 10 million annually in countries like Sudan, South Sudan, Ethiopia, Kenya, DR Congo, Zambia, Lesotho, Ghana, Mali, Burkina Faso, Niger, and Mauritania. The priority sectors are agriculture / agribusiness (65%), financial inclusion (25%), and renewable energy (10%).

Strategically, the fund has an exclusive and unique focus on SMEs, and relies on a strong group of co-investors such as FMO, the ACUMEN fund and AGRA (Alliance for a Green Revolution in Africa). "We are patient investors", says Nairne, and we are also shifting our portfolio more towards local currencies". An important thing to remember, Nairne concluded, is that investors should rely on soft skills as well as hard ones: Nairne then briefly gave the audience two examples of flagship projects supported by the Lundin Foundation: COMACO in Zambia, and MEDEEM in Ghana.



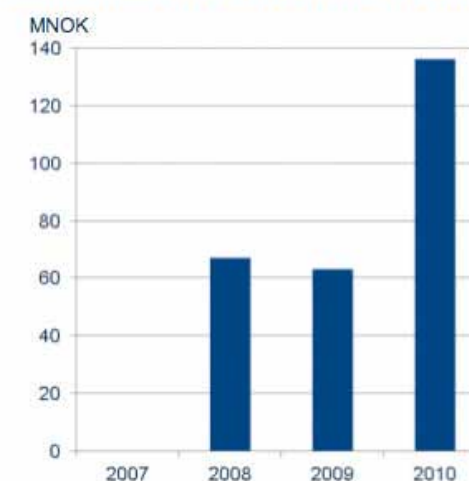
#### Anaar Kara, Director Partnership, PlaNet Guarantee - France

Next on the podium was Anaar Kara, Director Partnership of PlaNet Guarantee. PlaNet Guarantee's aim is protecting the financing of agribusiness. PlaNet Guarantee is a social business, meaning that the profits are reinvested in the business. "Our goal", explained Kara, "is to help small scale farmers in Africa to be protected against the inherent risks of farming, such as crop failure or erratic climate patterns. There is no actual inspection of fields, it lowers costs and helps to bring premiums down. Payouts are automatically triggered by an objective event, such as rainfall metrics".

#### Deepak Malik, Project Director Africa, Norfund - Norway

The final speaker was Deepak Malik, Project Director, Africa at Norfund, the US\$ 1.4 billion state-owned development fund of Norway. Norfund's mandate is to "reduce poverty and create sustainable economic growth by investing risk capital in profitable businesses in developing countries...". It uses equity and loans as financial instruments, and makes investment on commercial terms, always with partner(s) and normally with a 20-30% stake, (never a majority holding). Agribusiness, explained Malik, is Norfund's most recent asset class, but it is full of potential: Africa has 60% of the world's remaining unexploited arable land. Productivity can be significantly increased through irrigation, chemical fertilizers, improved plant materials, etc. It benefits from low production costs, as well as strong growth in demand and prices as a result of increased urbanization and a sharp rise in population and income growth.

#### Contractual investment in agriculture



NORFUND's Investments in Agriculture  
- In Million Norwegian Kroner



## → PART II: DEVELOPMENT FINANCE INSTITUTIONS

**Salim Karimjee, Senior Manager, International Finance Corp. (IFC), Member of the World Bank Group - South Africa**

IFC is the largest multilateral source of loan/equity financing for the emerging markets' private sector, with committed investments of US\$ 18.7 billion. It provides advice on environmental and social issues, and its economic and social performance standards have been adopted by over 50 global institutions. Depending on client needs, IFC can offer direct investments, wholesale finance, or advisory services.

IFC's strategic approach focuses on three types of business models:

- **Inclusiveness** (broad-based supply chain, investment climate and policy, smallholder capacity...)
- **Wholesaling** (leveraging large traders, aggregators, and commercial banks)
- **Processing, large scale agriculture:** project/ corporate finance

IFC's overall investment approach has evolved, Karimjee explains: "In terms of investment criteria, economic and commercial viability is a sine qua non for our involvement, but we also seek to maximize developmental impact, in an environmentally and socially sustainable way". "We favour expansion over Greenfield projects". Ethics and integrity are also of critical importance, and we cannot finance projects where there is significant political influence (regardless of integrity).



**Geoffrey Manley, Principal Investment Officer, Private Sector Operations Department, African Development Bank (AfDB) - Tunisia**

Next on the podium was Geoffrey Manley, Chief Investment Officer in the Private Sector Operations Department of the African Development Bank.

"Much of our work is through two channels: Direct and indirect", Manley started. Agribusiness usually gets indirect finance in our case: Relatively small amounts, provided through indirect channels: Private equity, local investors."

AfDB has 3 levers for agribusiness: enabling environment, catalytic transactions, analysis & strategy. AfDB support can be direct or indirect, in the form of technical assistance, MSME support, senior lending and equity/quasi-equity. "The AfDB is placing renewed emphasis on the agribusiness sector, through public sector and private sector finance, direct and indirect instruments", he continued.

Manley then gave some examples of projects: Markala Sugar, Lake Harvest, AAF and Agvance, which show that instruments can be structured to meet diverse needs. He concluded that the AfDB is placing renewed emphasis on the agribusiness sector, with public and private sector finance as well as direct and indirect investments, and that partnership is essential.

**Louise McDonald, Country Programme Manager, International Fund for Agricultural Development (IFAD) - South Africa**

Next on the podium was Louise McDonald, Country Programme Manager at the International Fund for Agricultural Development (IFAD). "Participants in this forum are already familiar with the challenges", McDonald started. These include poor access to inputs, lack of irrigation, lack of rural finance, poor marketing, and lack of research. Another huge challenge to overcome is the extreme geographic and economic isolation of one third of rural Africans: There are fewer kilometres of roads today than 30 years ago, and 34% of Africans live more than five hours away from a major market town.

McDonald expanded on the issue of access to finance, and went on to showcase the Rural Finance and Enterprise Development Programme of Swaziland as a model of sustainable financing. Through an enabling policy environment, information, coordination, partnerships, enterprise development, monitoring, evaluation and impact, the programme is targeted, relevant and engaged.

To conclude, McDonald highlighted the importance of risk reduction, planning and coordination, right roles and responsibilities, reduced transaction costs and partnerships.





#### **Alfredo Abad, Head South Africa & Indian Ocean, European Investment Bank (EIB) - South Africa**

The European Investment Bank (EIB) is the European Union's financing institution. While the bulk of its investments are within the European Union, it is also a major investor in development projects outside the EU, with a loan portfolio of EUR 9.8 billion, says Abad. The EIB is a major institutional partner of the ACP group of countries (African, Caribbean and Pacific), with over EUR 13 billion worth of investments in these partner countries. The EIB provides direct as well as indirect financing, Abad specifies: Direct financing typically involves large projects, with a total cost of at least EUR 15-20 million and a minimum financing requirement of EUR 5-10 million. The EIB also channels finance to smaller projects through financial intermediaries.

The EIB's involvement in financing agricultural projects dates back to 1963. To date, "we have financed 99 direct investments in 33 ACP countries for an amount of EUR 581 million, as well as more than 800 indirect projects for a total of EUR 1.3 billion", he says. Recent notable projects include a EUR 12 million sugar estate project in Chad, a EUR 8 million banana cultivation and packing venture in Cameroon, and a EUR 28 million sugar refinery in Mauritius. The EIB is always a co-financier and never contributes more than 50% of the total cost of any single project. In return, EIB offers long-term maturities to match project needs and flexibility in security packages, Abad concluded.

#### **SESSION IV: BOOSTING REGIONAL AND INTERNATIONAL TRADE AND INVESTMENT**

Moderated by **Corin Mitchell, Director Southern Africa, AECF - South Africa**

#### **Henry Minnaar, Manager, New Partnership for Africa's Development (NEPAD) - South Africa**

Henry Minnaar, Manager Agri-Programme, NEPAD Business Foundation. Minnaar's presentation dealt with the improvement of regional value chains, through the creation of Development Corridors. "Development corridors are key", Minnaar said. "It is important to target areas with inherent economic potential, i.e. endowed with natural resources (minerals, agriculture, eco-tourism & forestry). Extractive industries attract large investments, and open up opportunities and enabling infrastructure for sustainable development (agriculture)."

Development corridors can stimulate local economies by linking local commercial partners and developing supply chains. Upgrading value chains involve moving to more sophistication (product upgrading), better standards (process upgrading) and other factors such as strict logistics.

Constraints in developing value chain activities include weaknesses in macroeconomic environment and trade regimes, unstable market opportunities, the lack of agricultural

domestic support & export subsidies, high tariffs and restrictive rules of origin, as well as inadequate transport, storage and marketing infrastructure.

"However", said Minnaar, "the main lesson learnt is that there are no fixed sets of features. There is no one size fits all policy fit, and there is a need for coherent national policies."



#### **Mathabo Le Roux, EU Representation - South Africa**

Next in line was Mathabo Le Roux, Political, Economic and Trade section of the EU Embassy in South Africa. Le Roux presented the EU's export helpdesk, aimed at assisting exporters to access information on European trade rules. "Access is free via the internet to anyone", Le Roux explained. The tool is a one-stop shop conceived for the benefit of developing countries and therefore the objective was to ensure its use by the widest possible circle of users in developing countries. It is user-friendly and provided in 4 languages: English, Spanish, French and Portuguese (which are also EU languages) so as to reach the largest number of people in African markets.

The tool also provides an important database covering goods (only, not services) and that is based on the systematic research of the product through the product code. The Requirements and Taxes Section provides detailed information on import procedures, general requirements, and internal taxes that apply (VAT and excise).

#### **Tomas Sales, Manager, African Facility for Inclusive Markets (AFIM), UNDP Regional Service Centre for East and Southern Africa - South Africa.**

The next speaker was Tomas Sales, Manager, AFIM, UNDP Regional Service Centre for East and Southern Africa. AFIM is a UNDP regional project which works towards achievement of



the MDGs through development of “inclusive markets” in Africa, i.e. commercially viable business models leading to job creation and income generation for the poor. AFIM is structured as a partnership facilitation and project platform between various regional and global organizations, governments, inter-governmental organizations, the private sector and civil society.

AFIM supports low-income groups at the base of the economic pyramid (BOP), especially women and youth, and works towards poverty reduction, environmental sustainability, post-conflict recovery and gender equality. AFIM facilitates the development of inclusive markets by:

- Leveraging Complementary PSD initiatives;
- Providing Technical Assistance and Capacity Building
- Fostering knowledge exchange
- Engaging the private sector
- Facilitating access to innovative finance, especially for SMEs
- Building alliances through advocacy, policy dialogue, etc

AFIM supports the AgriBusiness Forum 2011, Sales added, which culminates to a high level Public-Private Dialogue, bringing all the major actors in the agribusiness sector together: The public and private sectors, small scale farmers, regional economic groupings, financing institutions and development partners for action on the ground with support from UNDP.

• A platform that aggregates, convenes and coordinates the various UN and other Private Sector related initiatives

• A partnership between various regional and global organizations as well as governments and inter-governmental organizations.

• A UNDP led project to accelerate the achievement of the MDGs through development of “inclusive markets” in Africa



AFIM Diagram

## EMRC-RABOBANK PROJECT INCUBATOR AWARD

The last session of the morning saw the projects in line for the EMRC-Rabobank Project Incubator Award being introduced by **Pierre Van Hedel**, the **Managing Director** of **Rabobank Foundation**.

Van Hedel reminded the audience of the 5 criteria used in the award's process:

- The project should be reputable,
- The project should have impact on a group of farmers,
- The project should be transparent,
- The project should have some cooperative involvement or benefit,
- The project must have been in place for a number of years.

The selection panel, jointly made up of Rabobank and EMRC representatives, nominated 5 proposals for the final round:

The nominees were **Game** in Cameroon, **Uconako** in Cote d'Ivoire, **Moçambique Organicos** in Mozambique, **Emeden** in Kenya, and **Moulins du Nile Blanc (MNB)** Enterprise in Rwanda.

**Game, Cameroon** founded in 1994, is active in the processing of dried vegetables in central Cameroon. It wants to reduce post-harvest waste to zero, and is already providing a livelihood and increased incomes for several dozen local farmers and their families.

**Uconako, Côte d'Ivoire** is cotton and mango-producing cooperative uniting 330 small scale producers in Cote d'Ivoire. It is already exporting to Europe and seeks to expand its operations with technical improvements and obtaining a fair trade certification.

**Moçambique Organicos, Mozambique** is an innovative community-based project in Inhambane Province, producing organic vegetables and peppers. The project also features a government-supported research farm, aimed at creating a knowledge base to ensure a long-term increase of production of organic foods.

**Emeden, Kenya** is a beekeeping and sunflower producing farmer association in the dry lands of Kenya. It recently expanded in the production of ground nuts, beans, millet and sorghum, and is seeking to further increase production by providing members farmers with access to micro-loans.

**MNB, Rwanda** produces ground nuts and maize meal in Nyabihu district outside Kigali. It is now seeking to strengthen the position of small scale producers in the distribution chain, while creating new employment opportunities.





In the afternoon the delegates went into technical workshops for in-depth discussions on innovative technologies for small farmers, and inclusive business models for agricultural development.

#### → WORKSHOP IV: INNOVATIVE TECHNOLOGIES FOR SMALL FARMERS: BEST PRACTICES AND LESSONS LEARNT

The panel was moderated by **Melissa Chemam, VoxAfrica - United Kingdom**

**Gerry Van den Houten, Technical Supply chain & Enterprise Development Director SABMiller - South Africa**

SABMiller is the world's second largest brewer, and operates in 39 countries in Africa. As a major agribusiness actor on the continent, it is actively localising its supply chain across its African markets. Its objective is to reach a 55% local component for its inputs measured in value within the next 2 years, up from current 23%.

Based on success in other Sub-Saharan African countries, SABMiller, as parent Company of Cervejas de Mocambique (CDM), is engaged in a local sourcing initiative to stimulate agriculture in Mozambique.

The project utilises recent breakthroughs in brewing techniques to enable SABMiller to produce clear beer replacing traditionally imported malted barley with locally grown cassava. This will be the first commercially produced cassava based lager beer in our African portfolio, and the learnings will be used to roll out the product to our other African businesses.

The Mozambique Government has indicated strong support for the initiative by levelling the playing field and approving a "favourable" excise regime for the new category at the 10 % ad valorem rate (25 % of mainstream beer excise @ 40 %).

**Yariv Kedar, President Sustainable Agriculture, Balton Group - Kenya**

The Balton Group, based in the UK, is present in 9 African countries: Kenya, South Sudan, Ghana, Senegal, Tanzania, Nigeria, Zambia, Rwanda and Uganda. The group provides irrigation systems, greenhouses, agro-chemicals, fertilizers, seeds, and manages integrated projects.

The Balton Group has developed the Amiran Farmer's Kit (AFK), an affordable, integrated toolkit for small scale farmers aimed at improving yields, protecting crops and bringing them to market. The package contains the following components:



- A farmer's greenhouse (either 15m x 8m or 24m x 8m).
- A drip irrigation system
- A collapsible tank
- A sprayer
- Seeds (Green house crop and open field)
- A full nursery set
- Fertilizers to cover one season
- Agro-chemicals to cover one season
- Personal protective equipment
- Training
- Agronomic support for one season
- Insurance

Amiran is supported by PanAAC, the Government of Kenya (Ministry of Agriculture) and UNDP through its training centers. AFK was also awarded the MDG Award for the Eradication of Extreme Poverty & Hunger, as recognition of its outstanding contribution to improving conditions for small scale farmers and its potential.

**Amol Jadhav, mFarmer Project Manager, GSMA Development Fund - Kenya**

Mobile technology can play an important role in adding value to the agricultural supply chain, says Amol Jadhav, and the GSMA Development Fund is playing a key role to help farmers, in particular small scale producers, reap the benefits of technology.

The GSMA Development Fund, (a component of the GSM Association or GSMA) combines the industry expertise of the GSMA and its members, with the development skills of international agencies and non-profit organizations to incubate and replicate the deployment of innovative, sustainable and scalable mobile services.

The Development Fund's agriculture programme works to accelerate the development and adoption of agricultural value added services via the mobile channel, called Agri VAS. These services are designed to address the challenges of yield, income and the food security crisis that affects the globe's poorest farmers. The AgriVAS model consists of two channels of mobile communications:

- Automated services like SMS and automated voice messages to deliver information and agricultural tips, customized according to the farmer's profile;
- A helpline to assist farmers who have a specific problem or are facing a specific threat which they need support with.

Such services directly address some of the typical issues faced by small scale producers in Africa and Asia, such as lack of access to quality information and lack of knowledge.





**Philippe Villers, President, GrainPro Inc. - USA**

Workshop IV came to a conclusion with a presentation on "Improving food security by reducing post harvest losses" by Philippe Villers, President of GrainPro Inc. - USA.

On behalf of GrainPro, Villers highlighted the company's aim to seek to implement simple, affordable, modern technology to improve food security, as post harvest losses account for up to 20-20% of maize losses, including losses due to excessive pesticide levels (Aflatoxins - AF). Villers argued that improving storage techniques through airtight hermetic storage reduces reliance on pesticides and prevents growth of mold producing AFs. Co-ops and small farmer associations, as well as warehouses and large scale storage facilities, processors and exporters, and private public partnerships can help transfer skills, especially to women and youth, to help reduce post harvest losses.

## → WORKSHOP V: INCLUSIVE BUSINESS MODEL FOR AGRIBUSINESS DEVELOPMENT

**Stephen Wormald, Managing Director, The Better Trading Company - South Africa**

The Better Trading Company (TBTC) is a dynamic, for-profit trading company that acts as an ethical agent. It connects leading retailers and markets with exceptional horticultural and agricultural entrepreneurs in Southern and Eastern Africa. "The company", Wormald said, "was born out of a shared vision with The Shell Foundation to bridge the gap between major retailers and developing world producers, and the Shell Foundation partners with TBTC in East and Southern Africa".

Wormald provided the delegates with an overview of a successful small scale Tabasco chilli farmer model in Zimbabwe, as an example of a sustainable commercial farming model for small rural farmers in Africa. The project, which currently involves 230 mainly women growers, received the Technoserve "Agri-Innovation Business Model Award" in August 2011. The target for 2012 is to reach 700 farmers and production levels of 650 tones.

The success of the project rests, among other key points, on the provision of rooted seedlings allowing for better crop establishment, the provision of training and agronomic consultancy, set prices and payment terms, as well as the establishment of a revolving grant fund to continue finance over the next season, Wormald says.

**Sarah Holmes, Business Manager, TechnoServe - South Africa**

Sarah Holmes, Business Manager for West and Southern Africa for TechnoServe - South Africa, opened Workshop V with a presentation entitled "Key Success Factors and Best Practices in Out-grower Schemes". She began by identifying several trends contributing to increased opportunities for smallholder farmers to link to markets via out-grower schemes,



including but not limited to high agri-commodity prices, changes in consumer preferences/trends, and growth improved infrastructure. She continued by breaking down the five basic out-grower models by distilling the pros/cons and challenges/successes of model for buyers and growers.

### Key success factors

Org structure	Economic sustainability	Effective skill transfer
<ul style="list-style-type: none"> <li>• Commitment and investment by lead firm</li> <li>• Alignment of stakeholder interests</li> <li>• Selective farmer participation</li> </ul>	<ul style="list-style-type: none"> <li>• Favorable lead firm economics</li> <li>• Favorable farmer economics</li> <li>• Land situation that allows for best farmers to scale</li> <li>• Incentives for increased quality, yield, scale present</li> <li>• Clear exit strategy for NGOs when appropriate</li> </ul>	<ul style="list-style-type: none"> <li>• Effective technical assistance</li> <li>• Commitment from the community</li> <li>• Business/management training as well as technical support</li> </ul>

**Jonathan Wood, CEO, Corredor Agro Limitada - Mozambique**

Corredor Agro Limitada (CAL) was established in 2009 as a contract farming and crop marketing company focused on servicing small scale farmers in Southern East Africa, initially in the Nacala Corridor, Mozambique. The Nacala Corridor is characterised by rich but underproductive land, farmed by largely under-resourced subsistence farmers.

CAL's objective is to add value in the agricultural supply chain by linking small scale farmers to better inputs, credit, logistics and markets.

CAL's offering to out-growers includes mechanisation and inputs, tillage, hybrid and OPV seed as well as fertiliser and chemicals. Help is also provided to devise seasonal plans and budgets with farmers, based on an agreed budget and contract, in addition to advancing credit.

Making farmers profitable on a sustainable basis is key to CAL's survival, and profitable farming needs market knowledge, cost & risk management. "Traceability is also becoming increasingly essential to get to the most important markets. Many factors are at play to be able to grow plants successfully. One has to look at each of the limiting factors and tackle each of them scientifically. Lack of credit is possibly one of the biggest limiting factors to sustainable input use and greater yields.





Furthermore, this year's Forum has been an excellent networking opportunity for entrepreneurs and investors in African agriculture, with almost **1100 B2B meetings** taking place during the Forum, and several significant deals being closed.

### → Gala Evening and Project Incubator Award

A full day of proceedings ended on a high note, with a glamorous Gala Evening at which the EMRC-Rabobank Project Incubator Award winners were announced.

The panel announced the winner of the 2011 EMRC-Rabobank Project Incubator Award: Everlyne Cherobon, from Emeden Kenya project.

Cherobon was delighted with her US\$ 15,000 award and summed up the motivation of many of the AgriBusiness Forum participants: "My dream is to see that agriculture in Africa reaches its full potential and feeds the world - I am very excited to return to Kenya and start putting the US\$ 15,000 to good use in our project".

## DAY IV: WEDNESDAY 19 OCTOBER 2011

### UNDP HIGH-LEVEL PUBLIC-PRIVATE DIALOGUE (PPD) FOR INCLUSIVE GROWTH IN THE AGRI-FOOD SECTOR

Moderated by Peter Ndoro, presenter at the South African Broadcasting Corporation, SABC's Morning Live Show, the last day of the Forum was entirely devoted to a UNDP High-Level Public- Private Dialogue for Inclusive Growth in the Agri-Food sector.

### → Opening Statements and PPD Aims and Objectives

**Agostinho Zacharias, UN Resident Coordinator and UNDP Resident Representative - UNDP South Africa**

The first speaker was Dr. Agostinho Zacharias, UN Resident Coordinator and UNDP Resident Representative, South Africa.

There are three key themes to today's dialogue, Zacharias, said:

- Developing a shared agenda for African food security, particularly on the issue of nutrition and efforts to mitigate climate-induced challenges;
- Exploring the benefits of increasing trade and investment in African agro-food sector, with an emphasis on regional trade and investment;
- Promoting more inclusive growth and accelerated development through job creation and enterprise development

"Food prices keep rising, Zacharias reminded the delegates. It is urgent to encourage further dialogue between the commercial sector, Government and NGOs, and it is particularly relevant to facilitate a structured discussion between the public and private sectors".

"We need to acknowledge that the private sector has made a tremendous contribution. As a capacity building organization, the UNDP will enrich the partnerships already in place, including with our key partner EMRC", Zacharias continued.

"We're also keen to explore how through Inclusive Market Development small scale producers can be integrated to the value chain of bigger producers. Increasing the role of small-scale producers will also help foster economic and political stability. This dialogue today marks the starting point of a more collaborative effort as a means to solving a problem. It is about creating possible solutions on the challenges we are facing today".

### → The Need to Create Space for Private Sector Partnerships in the Public Agriculture Development Agenda

**Hon. Betty Achan Ogwaro, Minister of Agriculture and Forestry - South Sudan**

The Hon. Betty Achan Ogwaro, South Sudan's Minister Agriculture and Forestry, was next on the podium. The Republic of South Sudan, the world's youngest country, has attracted much attention since it declared independence on the 9th of July this year. Minister Ogwaro gave the audience an extensive outline of South Sudan's agricultural profile, its current situation, potential and many opportunities. "We are inviting international investors to invest in our country's agricultural potential", she stated. There are specific and immediate opportunities, Minister Ogwaro said, for instance for beef production, with over 2.5 million head of cattle; as well as huge potential for organic foods, as South Sudanese producers use almost no fertilizer. "South Sudan is open for business, she concluded, and we are looking forward to welcoming investment from the private sector in the agribusiness sector. We also call on banks to follow suit".

**Dr. Doyle Baker, Senior Technical Officer, Food & Agriculture Organisation (FAO) - Italy**

Dr Doyle Baker from the FAO followed the Minister of South Sudan's intervention. The private sector can contribute, and has already been contributing, at 5 levels:

- **Product, process and technology innovation:** Examples include packaging and labelling in Malaysia, product development in Korea, machinery and equipment supply in Africa;
- **Business Climate and Regulatory Reform,** instrumental to ensure economic development and protect welfare;
- **Capacity Development,** whereby the private sector provides support to smallholder farmers: For instance Global, Heineken, General Mills, and uses contracting to build farmers' supply capacities;
- **Infrastructure Investment:** To augment the scale and scope of investment, through market-orientated agricultural infrastructure and agri-food parks similar to what has been rolled out in India and Brazil;
- **Business Financing,** to absorb risk when the commercial financial sector is unable to step in, for instance through outfits such as the AECF and Norfund (See their presentations in this report).



There is a variety of public-private dialogue forums but there is perhaps more talk than action, Doyle warned. The Public and Private sector need to agree on what the priorities are. "We need to give much more attention to sustainable food systems governance", he said, "and grand statements need to be turned into action". Food demand cannot be met through increased production alone: Food waste in industrial countries needs attention, and proprietary technologies are needed for logistics, packaging, cold chains, preservation, and so on. Significant changes will be required in food manufacturing, retail and food service companies in both developing and industrialized companies, he concluded.

## → PART I: TOWARDS A SHARED AGENDA FOR AFRICAN FOOD SECURITY

### Hon. Zerubabel Mijumbi Nyiira, Minister of Agriculture - Uganda

Not long ago, attention on Africa was often related to economic catastrophes and natural disasters. Nowadays, however, attention has shifted towards economic opportunities around the continent. "Food security and poor household incomes are the front enemies of social and economic transformation", the Minister said.

"The priority is to achieve food security in order to attain social transformation. We should be able to use the partnership opportunities that we have now".

Uganda offers many opportunities in terms of production, post harvest handling, and marketing.

### Kelly Boucher, Regional Director for Sub-Saharan Africa Tetrapak - Kenya

Tetrapak is one of the world's largest milk processing and packaging companies. In 2000, Tetrapak created the "food for development" office, as a response to what it saw as the fragmented nature of development work by NGOs in the dairy industry, according to Boucher. "We saw a need for the private sector to drive partnerships between government and civil society", Boucher adds, where we could enhance the sector and create more income for the small scale producers. At this point we have specific programmes sourcing dairy products in Sudan, Senegal, Zambia, helping small scale producers to enter supply chains.

Across the value chain, Tetrapak is trying to bring good, locally produced nutritious food to children, and drive investment and processing, and create a market for small holder farmers.

### Louise McDonald, Country Programme Manager, International Fund for Agricultural Development (IFAD) - South Africa

IFAD, explained McDonald, is working with South African retailer Pick and Pay to develop partnerships in 6 African countries to source food from local producers. The idea of integrating small scale producers into the supply chain of larger companies is catching on, according to McDonald. A key aspect is that small holder farmers can now supply on demand: They are growing melons because they can be sold in this quarter, and something else in the next quarter. However, there are some preconditions for such models to work in practice, she adds. "For instance, small holders must also have a grasp of business fundamentals in order to be empowered". The business sector, on its side, also needs to apply responsible business principles: Processes and decisions need to be clear and transparent.

### Amany Asfour, President, African Alliance for Women Empowerment (AFRAWWE) - Egypt

The last panellist was Amany Asfour, from the African Alliance for Women Empowerment. While Africa is among the richest continents, poverty is everywhere, Asfour started. "We need to invest in technology and the human resources, including women, as the empowerment of women is a key factor in ending poverty".

There are 3 pillars of empowerment, according to Dr Asfour:

1. **Personal development**, i.e. how do we empower women, train them, provide them with tools?
2. **Policies**, i.e. what policies are in place to empower women on the ground?
3. **Product and processing**: Why do we grow tomatoes but don't produce ketchup? We need to develop the capacity to transform raw produce into value-added commodities.

Dr Asfour also cautioned participants against putting too much emphasis on purely business-based approaches, and the focus on land ownership: "Commercialisation is not the answer to everything when farmers are 80% illiterate. We should also differentiate land ownership and access to land". Leadership is also very important: "If you want to increase productivity, you need examples to follow". The most productive interaction between the public sector and the private sector, she said, was when policy was complemented by action: "The public sector provides policy, but the "doing" is by the private sector, so we should ensure that the public policies are in harmony with the needs of the private sector".

## → PART II: INCREASING TRADE AND INVESTMENT IN AFRICAN AGRO FOOD SECTOR

How can trade and investment in the African agro food sector be increased? The panel to discuss this question was.





**Ian Visser, CEO, Premier Foods Group - South Africa**

Visser announced that, "Premier Foods Group is on the cusp of substantial investment in Africa, and we would gladly invest more if some of our concerns were addressed."

He added, "Two of our biggest challenges is the availability of raw materials and competitive pricing."

One of the primary issues is that while the world's population is growing fast and raising legitimate concerns about food security, "food is in more abundant supply than at any time in history. The problem is that food is not universally available. It is fundamentally a supply chain problem, and an issue of affordability. The issue of how we feed the world has been with us since the beginning of mankind", Visser remarked. He added, "We can no longer afford to see soil lie idle in Africa". Two main issues drive the inefficiencies of agriculture in Africa in our view:

- **Lack of scale:** We should ask ourselves how many small scale farmers can become big farmers. How do we assist them reaching scale? Small scale production, whilst romantic is not beautiful.
- **Resistance to scientific advances**, e.g. GMO crops: We will not be able to ignore that for much longer, Visser contended, and will need to urgently address this if we wish to make real progress in terms of agricultural production.

**Thierry Revert, Senior Adviser, National Organic Produce Initiative, UNIDO - South Africa**

The next panellist was Thierry Revert, Senior Adviser for the National Organic Produce Initiative - UNIDO. Revert challenged some of the views offered by earlier Forum speakers, on issues like scale and sustainability: "Small might be ugly, he said, but it's convenient". If you scale your production around people, you also have quality and that benefits local communities".

"Quality is a cross cutting issue. We, UNIDO, are developing courses on communal management, and have created the "Business unusual" brand here in South Africa to encourage change in transformation". But we have to make sure that we're going to base that transformation on sustainability". Two major vectors are shaping the future: The threat of climate change, and the move towards nutrition rather than just "food".

We have to address the CAUSES of climate change rather than just the symptoms. To paraphrase Darwin, "it's not the fittest, nor the most intelligent, but the ones that adapt the best that will live and evolve".

We also keep talking about "food" and "feeding" people, but we should really talk about "nutrition" and "being nourished", he concluded.



**Chris Isaac, Director Business Development AgDevCo and Infraco - Mozambique**

Chris Isaac, Director, Business Development AgDevCo and Infraco, highlighted the critical importance of public-private finance, and specifically "patient" capital: "Many investments in Africa's agricultural sector can only be repaid in 15, sometimes 20 years. There are also significant benefits of catalytic finance: There is a lot more private interest - but the risk is that the money does not get to the ground. A second benefit is that this type of capital comes with strings attached, including the condition to build links with small scale farmers".

**Chungu Mwila, Acting CEO, Alliance for Commodity Trade in Eastern and Southern Africa (COMESA) - Zambia**

The final speaker was Chungu Mwila, Acting CEO, Alliance for Commodity Trade in Eastern and Southern Africa (COMESA). "Almost 40 years ago, Asia was able to conquer hunger through the green revolution - why has this not happened in Africa?"

"Our mandate is to work with small holder producers to ensure that their productivity is scaled up, and to ensure that they are integrated into global supply chains. Collectively, African countries can do more to increase trade and investment, despite the many challenges we face."

"Investment is going into mining and resources, in infrastructure, and telecommunications, but comparatively little in agriculture. We need to increase investment levels from government and not just the private sector, and pay particular attention to regional markets: COMESA, SADC, ECOWAS and the East African Community for instance."

### → PART III: FURTHERING INCLUSIVE AND ACCELERATED GROWTH DEVELOPMENT

The last theme of the Forum dealt with furthering inclusive and accelerated growth development.

**Komla Bissi, NEPAD Senior Agribusiness & Value Chain Advisor - South Africa**

How can the concept "inclusive growth" be translated into practice? Bwaliya asked. The New Economic Partnership for Africa's Development (NEPAD) seeks to encourage local ownership and local responsibility for the development of agribusiness, in accordance with the policy framework of the CAADP (Comprehensive African Agricultural Development Programme). Agriculture is a key part of NEPAD's strategy, considering its importance in the continent's economy and its potential. How do we ensure that approaches are really inclusive? Over the next few years, NEPAD will seek to develop policies aimed at both the



private and the public sectors, entrenching dialogue and reinforcing institutional capacity. Development will not come from the outside, Bwaliya said, and NEPAD is determined to help leverage opportunities in Africa's agribusiness sector. "We need to create a shared vision for the public and the private sectors, and the public sector", he concluded, "has to provide the tools for the private sector to deliver".

#### **Geoffrey Manley, Principal Investment Officer, African Development Bank (AfDB) - Tunisia**

The key words in this discussion topic are "inclusive" and "growth", Manley said. What business models do we want to develop to achieve lasting growth? He welcomed the lively discussion in previous panels, including the debate on small scale vs. large-scale production models. "The answer is probably somewhere in the middle", Manley contended, "and depends on local conditions and environments. AfDB is trying very much to work on the integration of local producers through outgrower schemes. In terms of raising investment, we need to leverage more private finance: Despite the commitment from governments in Africa to put up to 10% of their budgets into agriculture, such commitments are hard to fulfil given the many competing priorities, and we need to rely on other sources of finance to complement public funding, especially concessional finance, matching each dollar of public money with several more of private sector funding in order to reach objectives.

#### **Ishmael Sunga, CEO, Southern Africa Confederation of Agricultural Unions - South Africa**

Two key factors contribute to inclusiveness, Sunga asserted: one is infrastructure, and another is governance. It is fundamental for infrastructural requirements to be fixed in a strategic way. This includes much better access to information on weather conditions, what to produce, etc., especially for farmers located in Africa's hinterlands. It also involves better access to water. The second key area is governance: i.e. policy development, from conceptualisation right down to the implementation and monitoring and evaluation of impact. All stakeholders need to be present and consulted right from the beginning in order to ensure inclusiveness, Sunga said. Value chains also need to be open, fair and transparent, in order to encourage farmers to produce more and better produce.

Technical barriers to growth need to be addressed, this being another area in which public-private sector partnerships can play an important role, Sunga concluded.

#### **Brenda Barton, Deputy Regional Director Southern Africa, World Food Program (WFP) - South Africa**

The World Food Programme, Barton started, has been making a shift for a number of years: While it continues to provide emergency relief for famine-stricken areas, it also has been increasing its procurement of local produce, injecting billions of dollars into local economies in the process.



The pairing of agriculture and nutrition is not often talked about, and we must move into that direction. Public private partnerships are playing an important role in this regard, and one recent example is a chickpea-producing project in Ethiopia that the World Food Programme has been developing with PepsiCo, USAID and the Ethiopian government. This project aims at doubling Ethiopia's chickpea production.

#### **→ Fowards shared values - a charge to the african agribusiness corporate community**

#### **Sullivan O'Carroll, CEO, Nestle Southern Africa - Southern Africa**

Sullivan O'Carroll, CEO of Nestle in Southern Africa, gave the Forum's final presentation. Nestle, O'Carroll said, has been engaged with rural communities since its creation in the 19th century, and has one of the world's biggest footprints in the agricultural sector: "Today, our company deals with more than 600,000 farmers worldwide. Last year alone, we trained 144,000 farmers in agronomy. Nestle today has 443 factories all over the world, half of them in developing countries.

How will we overcome the challenge to feed the equivalent of another two Chinas by 2050? O'Carroll asked. Africa has more available arable land at the moment than in the rest of the world combined, but the efficiency of farming is about 20% of the rest of the class". We need to urgently address issues such as water usage but also ask ourselves how GMOs can help us find the ability to produce more food", echoing similar remarks made by earlier panellists

"We need a few key elements to make the markets work, including more expertise, key skills, but also stable regulatory and business environments. Our long experience in Africa has taught us that these are sine qua non conditions for us to go forward".

#### **PRESENTATION OF THE JOHANNESBURG DECLARATION ON INCLUSIVE AFRICAN AGRIBUSINESS COMMUNITY**

In the final proceedings of the Forum, the Ministers of Agriculture, representatives of Government, private sector, civil society and development partners present agreed on the "Johannesburg Declaration on Engaging the Private Sector in Furthering Africa's Agribusiness Food Security and Nutrition Agenda". The declaration calls on all the key players to take concrete action to leverage Africa's agricultural potential. In order to reach this goal, the declaration specifically urges the public sector to:





- Incorporate the private sector in agriculture policy
- Make comprehensive efforts to support the economic development of rural farmers
- Promote the increase of public investment in enabling infrastructure
- Improve access to finance
- Develop inclusive economic growth strategies supporting the incorporation of small scale farmers into agricultural value chains
- Remove barriers to trade and develop skills

It further urges the private sector to:

- Engage in PP dialogues and platforms,
- Expand inclusive business models
- Accelerate efforts to mobilise private capital in support of value chain development
- Promote capacity development, technology transfer, including mobile money solutions, cellular communication applications, improved transport capacity;

Calls on stakeholders from both sides to jointly:

- Support the development of African food industry
- Pool financial and technical resources
- Develop local market based food nutrition solutions supporting small farmers

## CLOSING STATEMENT AND REMARKS

**Ernst Fausther, Officer in Charge Designated of UNDP Regional Service Centre for East and Southern Africa**

Ernst Fausther, Officer in Charge Designated of UNDP Regional Service Centre for East and Southern Africa closed the panel discussions. On behalf of UNDP, he congratulated all the participants for the informative and successful AgriBusiness Forum. "This forum was also the first and successful public-private dialogue on the subject of inclusive growth in the agri-food sector", he said. "We are especially delighted that the participants endorsed the Johannesburg Declaration on engaging the private sector in furthering Africa's agribusiness food security and nutrition agenda". UNDP, with its new facility for inclusive markets in Africa (AFIM), is committed to playing its role and make the aspirations contained in the declaration a reality on the ground, he concluded.

**Idit Miller, VP & Managing Director, EMRC International - Belgium**

Closing the Forum's proceedings, Idit Miller, VP and Managing Director of EMRC International, thanked the participants and the speakers. "We've reached the end of three days of intensive work - and it has allowed us to forge ahead to ensure that the African continent is one step closer to developing its agricultural sector, so that the citizens can benefit from it today and in the future".

This is EMRC's 8<sup>th</sup> AgriBusiness Forum. Each year, more people are joining us, and share our understanding of how important it is to develop a strong agricultural base in Africa.

With every year that passes, the subjects, workshops and B2B sessions bring us closer to our goals. This year is no exception, and has even surpassed our expectations. It is now also the second time that the Agribusiness Forum is held in South Africa, a country that is very dear to us. Under one umbrella, we have spent time to share a vision, and I would like to express my thanks to all who have made this Forum possible, in particular our co-organiser UNDP. Let us ensure that the content and the outcome of this Forum will deliver concrete results.

## JOHANNESBURG DECLARATION ON ENGAGING THE PRIVATE SECTOR IN FURTHERING AFRICA'S AGRIBUSINESS, FOOD SECURITY AND NUTRITION AGENDA 19 OCT. 2011

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 19th 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;
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.

This Declaration was adopted by the High Level Public Private Dialogue on Engaging the Private Sector in Furthering Africa's Agribusiness and Food Security Agenda on 19 October 2011.



## AGRIBUSINESS FORUM 2011: Engaging the Private Sector for Africa's Agri-Food Growth

### TESTIMONIALS

«It was a good conference. We are also engage tomorrow in agribusiness workshop as a result of EMRC conference. The AECF is here to encourage business people to make their funds more available for agribusiness. are here to sensitize business persons to access the funds they have for agribusiness. It was a nice conference. I will attend next time. Thanks.»

Simon Akuei Deng  
South Sudan Chamber of Commerce,  
Industry and Agriculture.



"The forum is a unique environment where development and business interact eventually finding a common operating platform through discussion guided by concepts that are a strength of a particular organization. I left now able leverage and grow in the direction which may not have been possible before these sessions."

George Osure,  
Syngenta Foundation



The EMRC Agribusiness forum has been a life transforming event for me, thanks to the AWARD, which is working to promote Africans in agricultural development and research. I attended my first ever forum in Uganda in 2010 where I got re-engineered, motivated and my faith in rural agriculture re-activated. I love the focus of small holder farmer by the agribusiness forum. I love the focus on private sector role in transforming rural agriculture. I have always believed that development for Africa lay with transforming rural agriculture and was excited to find a forum promoting just that. Since 2010, I worked diligently on my project, having witnessed what others were doing. During the South Africa event, the words of the Prime Minister of Zimbabwe, Mr. Tsvangirai echoed my belief in rural agriculture and his words on rural African agriculture are mine, that for Africa to develop, the focus must be on the smallholder farmer. My enterprise is working to build the capacity of the small holder farmer not just as a peasant producer but an active element and beneficiary in the whole agricultural value chain.

Everlyne Cherobon, EMEDEN Kenya - Project Incubator Award 2011 Winner



"I wanted to warmly congratulate you for the successful forum considering the large number of participants coming from across the world. For my first participation, I would like to confirm, I was very satisfied at all levels (organization, communication, welcome, accessibility, the high level of the panelists and participants, etc...). Basically, nothing negative to say and see you at the next one. A big thank you to the entire team!"

NOURADINE ZAKARIA TOURE  
PRESIDENT CRUBN

"I would also like to sincerely thank you for providing me the opportunity to be part of the Forum. I was completely inspired and I look forward to further interaction with the EMRC team. I also look forward to getting some East Africa Community regional projects ongoing with the team UNDP."

Jennifer A. Gache  
Senior Industrial Engineer (Industrial Development Department)  
EAST AFRICAN COMMUNITY

"Thank you very much for the support and encouragement during Agribusiness Forum in Johannesburg. We small holder farmers are very encouraged with the Johannesburg declaration and are hopeful that we shall work harder to improve the food security with the public-private partnership venture."

Joy LWANGA  
SHALOM ORGANIC FARM LTD



"Just a note to thank you for an exceptional productive conference. As a result of the opportunities to meet potential partners and customers at the EMRC conference in Johannesburg GrainPro was able to arrange follow up meetings with two ministers of agriculture and several potential partner organization. For us this was clearly the most valuable conference in Africa this year and we look forward to next year's. We would love to have an opportunity at next year's meeting to report on the progress in the use of hermetic storage to protect grains and crops that is taking place in Africa."

Philippe Villers,  
President  
GrainPro Inc.





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