

## UN Food Systems Summit+2 Stocktaking Moment

### SESSION REPORT

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### *UNFSS+2 Building Africa's Food Sovereignty and Resilience through Sustainable Investments*

25 July 2023 : 10:30am CET

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Organization/country: UN OSAA

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List of speakers, in all segments, and key messages

| NAME AND TITLE OF SPEAKER        | SEGMENT (opening, panel, closing, etc.) | KEY MESSAGES OR/AND RESPONSES TO QUESTIONS   |
|----------------------------------|---|--|
| 1. H.E.Ms. Amina Mohammed, UNDSG | Opening                                 | <p>Achieving food sovereignty would accelerate progress across the Sustainable Development Goals, lifting millions out of poverty, creating decent work, lifting outcomes in health and education, and raising standards of living.</p> <p>We must strengthen domestic resource mobilization.</p> <p>We need to generate more money on the continent and we need to use that money better.</p> <p>We have to improve our investment in climate.</p> <p>We need harmonized food standards that allow trade under the African Continental Free Trade Area.</p> |

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|  | <p>We need to increase the voice and participation of all countries, particularly African ones.</p> <p>We need a global financial system where African countries have the fiscal space to advance toward food sovereignty.</p> <p>We need to address the high cost of debt, scaling up affordable and long-term financing through MDBs, and making IFIs more inclusive, representative and effective.</p>   |
| <p>2. H.E. Mr. Ahmed Mathobe Nunow, Minister of Agriculture of the Federal Republic of Somalia</p> | <p>In January, Somalia presented its food and agriculture and delivery compact that outlines the priorities for investment to transform the food system and achieve food security and the SDGs. The compact requires US\$ 563 million in investment from public and private sectors. Up to date, the compact did not receive any financial commitment.</p> <p>Despite these opportunities to redirect financial flows to food transformation pathways and reduce substantially the population dependence on humanitarian assistance, the reality of our continent is that we are not yet heard.</p> <p>Somalia relies on imports to meet more than 85% of their food and cereal needs.</p> <p>Somalia imports annually US\$ 1.5 billion of food, there will be opportunities for import substitution and redirecting these resources to the key drivers of economic growth.</p> <p>Let's mobilize resources and especially long-term finance to help us diversify our sources of food by building our internal food stocks and diversify domestic production.</p> <p>Governments need to put in place business and enabling policies and environment to foster private sector and market-led investments in food systems.</p> <p>This is a call for the private sector to invest in the agricultural sector to increase investment in promising value chains for local consumption as well as improved local dietary diversity.</p> |

It is important to strengthen producer public private partnerships for blending financing of productive sectors infrastructure, agro-processing and value chain and value-addition structures.

The agro-processing industry is constrained by the shortage of skilled laborers, the high cost of energy, lack of infrastructure, lack of formal credit facilities, and limited capacity for innovation and investment.

In Somalia, there has been key investment in infrastructure and financial incentives to attract FDI and Diaspora investment which include zero rate of duty on all farm inputs including pesticides, seeds, and construction of major ports.

Somalian authorities will develop the legal and policy framework to establish a competent authority for fisheries to certify, lead, and develop the access of Somali products to lucrative international markets access.

It is critical to attract climate finance for transformative investment that focus on enhancing water management through irrigation infrastructure, flood prevention, adoption of climate smart inputs and technologies to diversify livelihoods, increase local production and productivity using scarce natural resources in the most efficient manner.

We need to collectively raise our voices to influence a shift from the massive humanitarian response to financing development and resilience building addressing underlying root of food insecurity.

Regional integration is essential to support harmonization of food safety standards and the promotion of trade unions.

Strategies to follow:

- Enhancing agricultural infrastructure;
- Empowering smallholders;
- Promoting climate smart agriculture;
- Strengthening research and development;
- Encouraging value addition and agro-processing; Fostering public private partnership;
- Improving market access;
- The role of women and youth play as farmers.

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| <p>3. H.E. Dr. Fitsum Assefa,<br/> Minister of Planning and<br/> Development of the Federal<br/> Democratic Republic of<br/> Ethiopia</p> | <p>Ethiopia made commendable progress in transforming its food system through investment in new initiatives in the agriculture sector leading to an increase in irrigated wheat production from 5.9 million tons in 2018 to 12.2 million tons in 2022.</p> <p>Invested in agriculture mechanization and digitization, innovation and technology.</p> <p>Enhanced access to digital financial services for smallholder farmers through financial cooperatives and microfinance institutions.</p> <p>To scale up Ethiopia’s achievements, it is important to mobilize international finance along national governments and domestic investor to enhance finance to agriculture.</p>   |
| <p>4. H.E. Mr. Ildephonse<br/> Musafiri, Minister of<br/> Agriculture and Animal<br/> Resources of the Republic of<br/> Rwanda</p>        | <p>Significant investments have been made and we are committed to keep up these efforts, in partnership with the private actors. The major ones are:</p> <ol style="list-style-type: none"> <li>1. Investment in large and small-scale irrigation technologies: we have goal to increase our total irrigated land by 42% by 2024.</li> <li>2. Support to farmers’ access to fertilizers and improved, climate-resilient seeds through our Crop Intensification Program. 15% of the ministry’s total annual budget is allocated to this program.</li> <li>3. De-risking agricultural production systems through the National Agricultural Insurance Scheme (NAIS).</li> </ol> <p>The “Commercialization and De-Risking for Agricultural Transformation Project” (CDAT) financed by the World Bank aims to increase area under irrigation, agriculture commercialization to increase food availability, access to finance and strengthen agriculture insurance for farmers in different value chain.</p> <p>Agricultural productivity, climate shocks and post-harvest losses are still challenges to different actors in the agri-food systems.</p> <p>Inclusive investments will need to be made in the agriculture sector. This includes providing farmers with access to relevant agriculture technology adapted to our contexts, providing tailored training to farming communities, improving farmers’ access to finance and establishing customized extension services for knowledge transfer.</p> |

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|   | <p>Strategic investments allocated to research and innovation, with a focus on climate-resilient crops, techniques for ensuring and maintaining soil health and fertility, affordable and efficient irrigation systems, agro-ecological farming techniques and broad adoption of agriculture insurance should be prioritized.</p> <p>Invest in our agricultural infrastructure to address the issue of food waste and post-harvest losses.</p> <p>We must forge strong partnerships at regional, continental, and global levels. Strategic and consistent collaboration is key to addressing the complex challenges we face.</p>   |
| <p>5. H.E.Ms. Josefa Sacko,<br/>       Commissioner for<br/>       Agriculture, Rural<br/>       Development, Blue Economy<br/>       and Sustainable<br/>       Environment, African Union<br/>       Commission</p> | <p>Agriculture is the backbone of the socio-economic development of the continent. It is a very strategic sector.</p> <p>In Africa, we don't need to invent the wheel.</p> <p>We are committed with all these policies of transformation of the agriculture sector.</p> <p>Since 2003, in Maputo our Heads of State and Government made a commitment to "adopt sound policies for agricultural and rural development and commit ourselves to allocating at least 10% of national budgetary resources for their implementation within five years".</p> <p>In Malabo, in 2013, the commitment was to "enhance investment finance, both public and private, to agriculture". Unfortunately, we were just focusing on evaluating member states rather than providing investment to transform food systems in African countries.</p> <p>Then recently in New York, on the margins of the UNGA, we pronounced a commitment to "to rally and manage an Africa food systems investment financing mechanism".</p> <p>We should take our destiny in our hands because Africa is very rich and has the resources. Africa should organize itself in terms of financing. It is not about lack of financing.</p> <p>We have all the potential. Why are we always behind.</p> <p>We have all the ecosystem, we have all the institutions, and the agencies at the African Union.</p> <p>We should pass to action.</p> |

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| <p>Mr. QU Dongyu, Director General, Food and Agriculture Organization of the United Nations</p> | <p>We need to unleash the potential of Africa.</p> <p>Africa's potential: The continent's population is 10 years younger on average than the rest of the world which allows its people to design plan better over a generation.</p> <p>It is critical to identify real potential and real priorities.</p> <p>We design bigger, longer and concrete plans, like the FAO Digital Village. E-agriculture is the future.</p> <p>Invest in Future for innovation and future generations, young boys and young girls.</p>   |
| <p>Mr. Alvaro Lario, President, International Fund for Agricultural Development</p>             | <p>Concrete opportunity: There is US\$70 billion of food imports in Africa.</p> <p><b>Finance:</b> the price tag for food systems transformation in Africa is US\$77 billion.</p> <p>IFAD is committing US\$3 billion for the next 5 years and US\$4.5 billion from our partners.</p> <p>IFAD invests more than 60% of its resources in Africa.</p> <p>We need concrete actions:</p> <p>In Niger, IFAD is working with the public development bank on climate adaptation for small scale farmers.</p> <p>In Nigeria, we are working on the programme of more than US\$500 billion with Islamic Development, African Development Bank, Green Climate Fund for a special agri-food project.</p> <p>In Egypt, IFAD mobilized more than US\$2.5 billion for the nexus food, energy and water.</p> <p><b>Data :</b> we need to identify financial flows gap in food systems to understand if the money is well spent and design policies.</p> <p><b>Political will:</b> None of the stakeholders is living up to the ambition. The 10% commitment of the Maputo Declaration never happened.</p> <p>In terms of ODA, we see US\$11 billion per year for agriculture development which is clearly not enough compared to ODA to humanitarian assistance. Although to prevent forced migration and conflict, we need to invest now in job opportunities, local production, commercialization, and transformation.</p> |

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| <p>Ms. Cindy McCain, Executive Director, World Food Programme</p>                    |  | <p>WFP will use its resources to support African countries achieve food systems transformation.</p> <p>WFP supports farmers to rehabilitate and conserve land and water, adopt climate smart technologies and practices and reduces post-harvest losses.</p> <p>Since 2018, WFP has been running an integrated resilience programme in 5 countries in the Sahel to support whole livelihoods and improve food security. WFP worked with the communities to rehabilitate over 220000 ha of degraded land so that it can be used for agriculture production.</p> <p>WFP taught them irrigation techniques.</p> <p>WFP helped smallholder farmers sell the food production surplus and run school meal programmes so that more children and youth can get an education.</p> <p>This shows the way forward: Making sustainable investment to build resilience against food insecurity and tackle the root causes of hunger.</p> <p>WFP supports local markets and economies across Africa.</p> <p>In 2022, WFP invested US\$1.6 billion in local and regional food procurement up from US\$1 billion in 2021. A significant proportion of the money was spent on buying commodities from local producers across Africa.</p> <p>The private sector must play a critical role in providing the financing and innovation needed to develop markets and strengthen food production systems across the continent.</p> <p>The farm to market Alliance has supported more than 500 thousand African farmers to increase their yields and take their produces to commercial markets.</p> <p>WFP is committed food sovereignty and food security in Africa.</p> |
| <p>Dr. Ibrahim Assane Mayaki, Special Envoy on Food Systems of the African Union</p> |  | <p>There can't be transformation of food systems without structural transformation.</p> <p>Africa's structural transformation goes equally with industrialization.</p> <p>Our industrialization should be thought inwards and that is why we designed the African Continental Free Trade Area Agreement.</p>   |

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|  | <p>For an effective industrialization based on food systems transformation, the link will be established between PIDA, CAADP, Malabo and AfCFTA.</p> <p>If we put all the asset under management of African pension funds and sovereign wealth funds, they are close to US\$1 trillion. These funds are invested outside Africa. There is need for political change to direct these funds toward sound prepared African projects.</p> <p>We should look at smallholder farmers as potential entrepreneurs from a political perspective.</p> <p>Politically, we need a transformative leadership.</p> <p>Africa has US\$70 billion of food imports while we spend less than US\$50 billion a year.</p> <p>Africa in the next 20 years will start feeding the world.</p>   |
| <p>Dr. Agnes Kalibata, President of the Alliance for a Green Revolution in Africa</p>  | <p>Rethinking financing so that it can work for Africa.</p> <p>Rethinking how we produce that must be anchored around Africa’s trade corridors and food corridors that work for Africa.</p> <p>Of the US\$70 billion food import, 68% is spent on 4 commodities that Africa can produce, including rice and maize.</p> <p>Going into CAADP 2.0 could be the opportunity for the continent to feed itself and take our destiny into our hands.</p>  |
| <p>Dr. Babafemi Oyewole, Chief Executive Officer, Pan-African Farmers Organization</p> | <p>Only a third of financing going to agriculture sector is reaching the farmers although farmers are at the center of food security and food systems. Without farmers there is no way we can produce.</p> <p>We need to support farmers with finance and enabling environment that will make the finance available to them.</p> <p>Financial institutions do not understand the value chain. Financial institutions need to understand the value chains so that they will be tailored the financial instruments to meet the needs of the value chains.</p> <p>PAFO works with IFAD, AGRA, AUC and FAO to build the capacity of farmers to understand the dynamics of agriculture in these modern times and to be able to contribute and sharing their experience on what is happening on the farms into the system.</p> |



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| <p>Ms. Ndidi Nwuneli,<br/>       Founder/Executive Chair -<br/>       African Food Changemakers</p>    | <p>We need to revamp funding flows to local organizations. Only about 10% of financing goes to African local organizations.</p> <p>Multilateral finance organization, philanthropy organizations and local financial institutions should actually track how much money goes to African local organizations and set clear targets to change that 90% of funding goes to African local organizations run by Africans for Africans.</p> <p>Remove the gender discrimination bias from investment mechanism from private equity to venture capital.</p> <p>Set clear quotas for financing women: 50% quotas for every financing windows we have established for female farmers all the way to female entrepreneurs.</p> <p>Changing the mindset about Africa from a hungry child to a successful female entrepreneur.</p> <p>Africa can nourish itself and the world.</p> <p>We should scale up the successful examples happening on the continent.</p> <p>Together we can make sure that the mindset change trickles down.</p> <p>If you don't believe that Africans can change their future, we will continue to see Africans as victims as opposed to actors of their own future.</p> <p>Africans can change their future.</p> |
| <p>Ms. Emanuela Del Re, Special<br/>       Representative for the Sahel,<br/>       European Union</p> | <p>The EU is aligned with the UN Deputy Secretary-General on the importance of financial architecture.</p> <p>There is need to find effective systems that can provide African countries the framework for ownership.</p> <p>The continent is young. We have to do more for African youth because Youth will lead the financial and production systems and other key sectors of development.</p> <p>We need to fight for the private sector in Sahel and attract them. The narrative is killing African countries because it focuses more on problems rather than the opportunities.</p> <p>80% of remittances are invested in agriculture for subsistence.</p> <p>We have lifestyles in Africa that must be preserved and reflect the identity of the countries.</p>   |

## Overall summary, conclusions and recommended actions (max 250 words)

To support the African Common Position on Food System catalytic policy options and strategies to build Africa's food sovereignty and resilience, it is critical to enable the African Common Position game-changing solutions.

It is imperative to address the context (climate, conflict,...) and invest in the potentials at the same time.

1. Improvement in the broader investment climate and competitiveness challenges of African Member States would encourage the development of local businesses and the inflow from the private sector and IFIs.
2. Policy regulations are essential for creating an enabling environment for green finance in Africa.
3. Decarbonizing should be part of the strategy of large-scale agriculture projects.
4. With the proper support, including social protection measures, African smallholder farmers should be at the forefront of Africa's agri-food systems transformation.
5. Access to adequate infrastructure, technology, skills (irrigation, storage, roads, energy), early warning technology, fertilizers, high-yield seeds, and social protection measures for smallholder farmers is essential for agri-food systems transformation and building resilience.
6. Africa has the tools and what is required is to invest in them. The CAADP and Malabo Framework promote improved spending on food and agriculture and leveraging trade and fiscal policies. The AfCFTA will facilitate access to more lucrative export markets for domestically produced food, increasing opportunities for smallholder farmers.
7. De-risking instrument for agriculture. The perception of risk in Africa has to change. Africa is the only continent where venture capital is going up. Emphasis should be put on de-risking investment in agriculture projects by leveraging cost-effective instruments to promote and scale up private sector investments: microfinance, capacity development to jumpstart agri-food systems, the public-private partnership.
8. Reducing information asymmetry for the private sector and IFIs is essential to mobilize finance in national agriculture investment plans.
9. Capacity building and training to close knowledge gaps in financial institutions can help secure opportunities to utilize existing financial instruments and develop new financial products tailored for smallholder farmers.
10. The informal sector needs should be carefully embedded in any new intervention in sub-Saharan Africa. There is need to invest in the informal sector.
11. Women and youth should not be left behind. Innovation and technology should be procured and put in the hands of women and young people for Africa.
12. In the context of the renewed global partnership, it is critical develop a successful partnership with Africa.