

THE COMPREHENSIVE AFRICA AGRICULTURE DEVELOPMENT PROGRAMME (CAADP)

COMPACT

EZULWINI, KINGDOM OF SWAZILAND

 $3^{rd} - 4^{th}$ MARCH 2010

Preface

The Government of the Kingdom of Swaziland and the undersigned partners hereby agree, under the terms and conditions of this Comprehensive Africa Agriculture Development Programme (CAADP) COMPACT, to coordinate their support towards the achievement of the Government's National Development Strategy (NDS 1997) as being implemented by the Poverty Reduction Strategy and Action Plan (PRSAP).

The structure of the Compact is as follows:

- Section 1: Background on the Implementation of CAADP in the Kingdom of Swaziland
- Section 2: Rationale for and Use of the Swaziland CAADP Compact
- Section 3: Long Term Vision and Commitment of the Government of the Kingdom of Swaziland to Economic Development and Poverty Reduction
- Section 4: Government's Agenda for Agricultural Growth, Poverty Reduction, and Food Security
- Section 5: Forging Partnerships for the Successful Implementation of Investment Priorities
- Section 6: Implementation of the CAADP Agenda
- Section 7: Endorsements

A. Background of the Implementation of the Comprehensive Africa Agriculture Development Programme (CAADP) in the Kingdom of Swaziland

1. CAADP as an Africa Owned Agenda and a Shared Development Framework

The Comprehensive Africa Agriculture Development Programme (CAADP) is an initiative of the African Union (AU) within the context of The New Partnership for Africa's Development (NEPAD). The CAADP framework and process is core to efforts being undertaken by African Governments to accelerate economic growth, enhance food and nutrition security and eliminate hunger in the continent. It is as a result of high level consultations between the Food and Agriculture Organisation of the United Nations (FAO) and the NEPAD Secretariat at the FAO Regional Conference (Egypt 2002). CAADP was endorsed by the Heads of State and Government of the AU in what is commonly known as the Maputo Declaration of July 2003. One of the major resolutions taken by the Heads of State and Government was to effect policy changes that will improve agricultural and rural development in Africa. These included African Governments' commitment in the allocation of at least 10 percent of national budgetary resources for agriculture and rural development.

In an effort to address the Millennium Development Goals (MDG), particularly MDG One (1) which aims to reduce hunger and poverty by 50% by 2015, the AU through NEPAD has mandated the Regional Economic Communities (RECs) to implement CAADP in their respective Member States. In this regard, COMESA is authorized to coordinate and harmonize implementation of CAADP in the region, as a partner of National Governments reflecting the principles of mutual review and dialogue, accountability and partnership.

It is essential to note that the specific goal of CAADP, is to attain an average annual sectoral growth rate of 6 percent in Agriculture. To achieve this goal, CAADP aims to stimulate an agriculture-led development that eliminates hunger and reduces poverty and food insecurity. More specifically, the NEPAD vision for Africa holds that, by 2015, Africa should;

- Attain food security
- Improve agricultural productivity to attain a 6 percent annual growth rate
- Develop dynamic regional and sub-regional agricultural markets
- Integrate farmers and pastoralists into a market economy
- Achieve a more equitable distribution of wealth

CAADP has four pillars which serve as the bases for its implementation:

Pillar 1: Extending the area under sustainable land management and reliable water control systems

Pillar 2: Improving rural infrastructure and trade-related capacities for market access.

Pillar 3: Increase food supply, reducing hunger and improving responses to food emergency crises.

Pillar 4: Improving agricultural research, technology dissemination and adoption.

2. CAADP as a Value Addition Agenda at Country Level

The Kingdom of Swaziland's engagement in the CAADP process is two-pronged. The framework and process does not only provide an African shared agenda for agricultural strategic planning, implementation and the forging of partnerships, but also supports the country's efforts to accelerate agriculture and rural development advancement. This may include, but not limited to political, technical and financial support.

Principally, the CAADP goals are in harmony with the National Development Strategy (NDS) of the Government of Swaziland crafted in 1997 to guide strategic socio-economic development of the country over a 25-year period. The vision and objective of the NDS proclaims that:

"By the year 2022, the Kingdom of Swaziland will be in the top 10% of the medium human development group of countries founded on sustainable economic development, social justice and political stability."

The value addition of the CAADP Compact in Swaziland is envisaged to address the following:

- 1. Assist in the harmonization, streamlining and prioritization of the agricultural sector developmental initiatives.
- 2. Accelerate the efforts in its quest to achieve the relevant MDGs.
- 3. Facilitate compliance of commitments to CAADP requirements. This includes meeting the 10% financial resources allocation to agriculture.
- 4. Support the drive for the commercialization and diversification of agriculture in the short to long-term.
- 5. Swaziland will be better positioned to minimize the effects of global warming and associated climate change.
- 6. Balance the escalating cost of inputs that renders agricultural enterprises unprofitable.
- 7. Assist in the plight against HIV and AIDS pandemic depriving society of able-bodied farmers and rendering agricultural land fallow and unutilized, while simultaneously creating a population of orphans, which have added frightening social costs to the state.
- 8. Reduce food insecurity which is progressively escalating as agricultural productivity and the overall performance of the economy continue to decline.

3. Focus of CAADP in Swaziland

The CAADP process in Swaziland will play a pivotal role in the consolidation, strengthening and add value in the country's efforts in improving agriculture development through a coordinated effort and a strong planning process in all sectors (relevant to agriculture, food security and rural development), as well as improvement of existing policies and strategic plans. Specifically, CAADP will enhance and support the implementation of the Poverty Reduction Strategy and Action Programme (PRSAP) and other relevant and related programmes. The envisaged aim of the CAADP initiative in Swaziland is to improve development results in the agricultural sector. This will be forged by i) helping the country define a coherent long-term development and investment framework that will guide the planning and implementation of current and future interventions for agricultural development, and ii) identify strategic options to directly address poverty reduction.

4. Swaziland CAADP Process.

Swaziland fully endorses the CAADP initiative and is committed to its expedient implementation. The Ministry of Agriculture is the lead government institution in the implementation of this programme. CAADP has been internalized and institutionalized by the Government of Swaziland. Its Focal Point closely works with the CAADP Country Team. The Stock Taking Report was developed and completed by 2009. This culminated from a multi-stakeholder mid-term review of the formulation process, Government, private sector, civil society and international development partners assembled in November 2009 to finalize input into the CAADP study report and Compact.

B. Rationale and Use of Swaziland CAADP Compact.

Since independence (1968), the Government of Swaziland has invested significantly in agriculture development. It is noted however, that the country has not realized the desired results. The CAADP initiative becomes relevant in the implementation of the nation's developmental goal of achieving sustainable economical growth, particularly in the agricultural sector as expressed in the sector's vision. The basis for the commitment to CAADP is justified by the following:

- 1. The contribution of agriculture to Gross Domestic Product (GDP) has declined from 21% in 1988 to about 8% in 2006. This has been due to a number of reasons, e.g. the recurring drought conditions, limited access to financial resources and the effects of HIV and Aids.
- 2. Currently, the country is experiencing low economic performance, which has also impacted negatively on the development of Agriculture.
- 3. The CAADP framework and process is expected to clarify sector policy, budgetary and investment commitments, This initiative will help accelerate the county's realisation of its goals and aspirations in the agricultural sector. These goals and aspirations are as stipulated in several national development documents, e.g. National Development Strategy (NDS), National Agriculture Summit and Agenda for Action (NASAA), PRSAP, and National Food Security Policy.
- 4. CAADP ensures parameters for long term partnerships in the agriculture sector and specifies key commitments on the part of the Government and its partners in the sector
- 5. The CAADP framework and process ensures sector policy, budgetary and investment commitments as well as pledges to align and scale-up long term development assistance to the sector.
- 6. The initiative will assist the country achieve the envisaged 6 percent agricultural growth per annum. This will entail a vigorous revitalization of agricultural development in the country.
- 7. Food security is one of the major priorities and forms the basis of the vision of the agricultural sector in the country.

8. Agriculture remains the principal source of livelihood for over 70 % of the Swazi population. It is also the largest employer, contributing approximately 20% of the country's formal employment sector

The endorsement and subsequent implementation of the Compact will;

- a) Reinforce the development of long-term strategies for agricultural development.
- b) Strengthen and establish viable partnership for sustainable agricultural growth.
- c) Enforce guidelines for ensuring commitment by stakeholder to the implementation of the Compact.
- d) Increased agricultural productivity.

C. Long Term Vision and Commitment of the Government of the Kingdom of Swaziland to Economic Development and Poverty Reduction

The Government of the Kingdom of Swaziland aspires to build a truly twenty-first century Kingdom that is culturally united, integrated and stable, economically prosperous and socially well organized with equal opportunities for all, irrespective of gender, and responsibility from all. It endeavors to provide a climate and infrastructure that will progressively maximize the quality and security of life of the people of Swaziland and make the best use of the country's natural and human resource.

The National Development Strategy (NDS) of 1997 provides a guide for strategic socioeconomic development of the country over a 25-year period. It aspires to drive the country to the top 10% of the medium human development group¹ of countries through sustainable economic development, social justice and political stability.

In pursuit of achieving this vision and mission Government formulated the Poverty Reduction Strategy and Action Programme (PRSAP) in 2006. The goal of the PRSAP is to reduce poverty by more than 50% in 2015, currently at 69% of the total population, and absolutely eradicate it by 2022. It is a critical component for operationalising the NDS and achieving this vision. It is the overarching framework for addressing poverty and challenges related to poverty. The PRSAP is composed of six pillars, where agricultural development mainly falls in pillar number 3: Empowering the Poor to Generate Income and Reduce Inequalities. However, across all the pillars, strategies for addressing agricultural development still appear because agriculture has been identified as a key driver for poverty reduction. Although its contribution to Gross Domestic Product has reduced over the years, 21% in 1988 to about 8% in 2006, industrial manufacturing which is currently the largest contributor (36%) to GDP derives its inputs from agriculture.

To drive the agricultural development programme, Government then formulated the Comprehensive Agriculture Sector Policy, which is currently the guide for all agricultural programmes. As a sign of commitment to agricultural development, the Government of the Kingdom of Swaziland hosted a summit in July 2007, where the Head of State and all

stakeholders were present. After deliberations in this Summit, a declaration (MANZINI DECLARATION ON IMPROVEMENT OF AGRICULTURE IN THE KINGDOM OF SWAZILAND 2007) was made, and all stakeholders agreed that agriculture is the backbone of the economy. The Summit resolved to transform the agriculture sector through farmer empowerment.

To speed up implementation of these policy initiatives, in 2008 a five-year Government Action Plan was produced. Food security is one of the priorities, along with health services.

D. The Government's Agenda for Agricultural Growth, Poverty Reduction And Food and Nutrition Security

Government agenda for ensuring agricultural growth, poverty reduction and food and nutrition security is guided by the following development policies and strategies i) National Development Strategy (Vision 2022), Poverty Reduction Strategy and Action Programme 2006 (PRSAP), Comprehensive Agriculture Sector Development Programme 2005 (CASP), National Food Security Policy (2005), National Agriculture Summit Report (2007), National Program for Food Security (Sectoral Development Plan for Agriculture (2008/09-2010/11). The overall objective of the agricultural sector as outlined in the CASP is to facilitate and support the development of a sustainable and competitive agricultural sector that assures food security at national and household levels and maximizes the sector's contribution to Gross Domestic Product.

In the Last 20 years Swaziland has implemented various policies and programmes with limited sector growth and reduction in poverty and food insecurity. However, the economy of Swaziland showed signs of recovery, as all sectors recorded improvements in 2007. Real GDP growth rate improved to 3.5 percent in 2007 from 2.8 percent as observed in 2006. The improved performance of the services, manufacturing, and construction sectors as well as a slight recovery of the agricultural sector, especially on Swazi Nation Land (SNL), contributed to this economic growth. Agriculture alone contributes about 8% to national output measured in GDP. This is a far cry from the average of 16% achieved in the late 1980's and early 1990's.

Whilst manufacturing contributes significantly to the country's Gross Domestic Product (GDP), agriculture still plays a major role, as the majority of manufacturing entities are agro-based. The contribution of agriculture to Gross Domestic Product has declined from 21% in 1988 to about 8% in 2006 whilst manufacturing has grown from 16% to 36% over the same period.

The National Agriculture Summit Agenda for Action (NASAA), the Swaziland Support to NEPAD-CAADP Implementation (National Mid-term Investment Programme) and the National Food Security Policy highlighted important interventions for agriculture development. Following a deep analysis, a wide range of programmes; sub-programmes and projects, were identified as investment options that would accelerate agriculture development and reduce poverty. These programmes are aligned with the CAADP pillars (See Table 1).

CAADP Pillar	CAADP Compact Programmes (investment options)
Pillar1:LandandWaterManagement	 Water and Irrigation Development Programme. Integrated Land Management Programme for Combating Land Degradation
Pillar 2: Market Access	1. Development of sustainable markets programme
Pillar 3: Food Security and Nutrition	 Establishment and rehabilitation of small livestock seed stock centres. Enhancing Dairy Productivity through capacity building, revitalization of the dairy cattle breeding programme and establishment of an Artificial Insemination (AI) centre Revitalizing small-scale crop production Promotion of sustainable feed and fodder production and utilization. Improving beef cattle productivity and establishing smallholder cow- calf operations and feedlot Establishment of Agriculture Development Bank. Development of extension policy, implementation framework and capacity building of Farmers and Extension Staff Improving agriculture information and data management systems Strengthening the early warning system and food emergency response mechanism Rehabilitation of Ministry's Rural Development Centres
Pillar 4: Agricultural Research	1. Development of a National Research programme and related infrastructure.

 Table 1: Programmes that Require Financing Through CAADP

E. Forging Partnerships for the Successful Implementation of the Investment Priorities

1. Purpose, Principles, Importance of the CAADP Partnerships

For successful implementation of CAADP, the support and cooperation of partners cannot be over emphasized. The presence of such partners whether national or international is significant to successfully implement CAADP. The Kingdom of Swaziland must engage the relevant partners in an effort to bring them on board the CAADP process. These partners by their own nature and existence have commitments towards social and economic upliftment of Swaziland. The compact will address the support of the government of Swaziland, cooperating partners, development partners, regional partners, private and civil society to CAADP.

2. Government Commitments to Poverty Eradication, Job Creation, Improved Agricultural Production and other initiatives.

The Government of Swaziland is committed to eradicating poverty by the year 2022. This is clearly spelled out in the Poverty Reduction Strategy and Action Programme (PRSAP). The Government further approved the Prioritized Action Programme for Poverty Reduction (PAPPR) as an interim strategy for PRSAP as an effort to cement her commitment.

Government further commissioned the Job Creation Summit in 2005 to address issues of unemployment in Swaziland. The summit identified agri - business as a key component to job creation. The summit emphasized that school curriculum should be on skills development and business management rather than on white collar jobs. The Government together with the relevant partners commit that there will be reduction in unemployment in the country, through initiatives that include agricultural development.

The Government is committed to create a vibrant commercial agricultural sector in which citizens derive maximum economic growth. This implies the enhancement of agricultural productivity nationwide. This is only possible through the engagement and support of the relevant development and investment partners.

Government is obligated to rural and agricultural development. In line with CAADP, She will engage all relevant partners to ensure the successful implementation of the programme. The Government further commits (under the Maputo Declaration) to allocate at least 10 percent of national budgetary resources towards the achievement of agricultural development and to achieve 6 percent annual growth in agricultural production. In view of these commitments, the government will adopt sound principles of governance which include; efficiency and effectiveness in programme implementation coupled with sound financial management.

5. Cooperating and Development Partners' Commitments under the Poverty Reduction Strategy and Action Programme and Support to NEPAD-CAADP Implementation

The cooperating and development partners are important in the successful achievement of the NDS, PRSAP, CASP, job creation, MDGs and other developmental initiatives. Their involvement is through increased volume of development and investment assistance. The Government of Swaziland acknowledges the role of bilateral and multilateral cooperating partners in successful agricultural development. The Government has designed an Aid Policy Statement (APS) on external assistance to provide a framework for effective resources mobilization and to ensure consistency with national and sector priorities.

Some cooperating and development partners have previously committed to the improvement of agriculture. The commitments include partnerships linkage, quality management, monitoring, communication management and harnessing key thinking for strategic guidance. Some partners will further fund qualifying investment priorities.

The African Union (AU), NEPAD, Common Market for East and Southern Africa (COMESA), Southern African Development Community (SADC) and Southern African Customs Union (SACU) have all pledged varying support to CAADP through setting programmes that would allow the country to meet the objectives of CAADP. The support includes mobilization of political, financial and technical support.

6. Public, Private and Civil Society Commitments

The successful implementation of CAADP requires the commitment of other stakeholders other than government. Within the country there are public institutions¹ which include government parastatals who have committed to food security enhancement in different forums.

There are also private institutions² which are key to agricultural development in the country. The institutions have committed to contribute through research, capacity building and finance towards agricultural development.

The broader civil society³ commits to CAADP through capacity building, technical and financial support.

7. Monitoring and Evaluation Mechanisms to Drive Successful Partnership Commitments

The Government of Swaziland has tasked Ministry of Agriculture (MOA) and Ministry of Economic Planning and Development (MEPD) through the National Medium Term Investment Programme (NMTIP) to effectively monitor the agricultural development initiative through quarterly and annual reports.

¹Represented by Public Enterprise and Monitoring Unit (PEU).

²Represented by Federation of Swaziland Employers and Chamber of Commerce (FSE &CC)

³To mean Farmers Union, NGOs, International Organization dealing with Agriculture and etc.

F. Implementation of CAADP Agenda

1. Coordination, oversight and implementation capacities.

The overall coordination and oversight will be provided by an Agriculture Sector Advisory Committee composed of the key stakeholders in the agriculture sector. The Economic Planning and Analysis Section in the Ministry of Agriculture will be the Secretariat.

Regarding the implementation modalities the private sector, the civil society, and the farmer organizations will take the lead where possible. The Ministry of Agriculture will provide the necessary guidance and coordination. These parties will be involved in the following aspects of the Swaziland CAADP Compact (SCC) implementation:

- (i) Planning, Monitoring and Evaluation;
- (ii) Advocacy on behalf of their constituency;
- (iii)Capacity building of Stakeholders;
- (iv) Promotion of sustainable agriculture and development;
- (v) Farmer training and technology transfer;
- (vi)Promote Partnerships between Research, Farmers and Extension;

The public universities and Agriculture Research Division will play a major role in research and human capacity development to strengthen linkages between industry, academia and general public.

Government will focus on facilitatory functions including; Infrastructure development, legislation, Agriculture Research, Land Use Planning and Development, Fisheries, Forestry, Agriculture and Extension, Animal production, Animal health, Economic Planning Analysis, Crop Protection, overall monitoring and evaluation, Policy formulation and analysis. Government mandate is well articulated in the PRSAP, a vehicle for implementation of Swaziland's NDS in Vision 2022.

2. Funding mobilization

The Government of Swaziland and Cooperating Partners will mobilize immediate funding from both domestic and external sources using the existing financing structure to continue the implementation of various Government Programmes and the Compact. These will include projects that already have proposals but need funding and ongoing programmes that need scaling up and guided by a prioritized plan for investment. For this purpose, the Government of Swaziland and Development Partners will immediately, after the Round Table, undertake consultations to develop a national level strategic planning framework in the context of the Poverty Reduction Strategy and Action Plan. The national framework will guide the prioritization, planning and implementation of development investments that contribute to the overall growth of the agriculture sector.

G. Endorsements

By endorsing this Compact:

1. The Government of the Kingdom of Swaziland pledges to fulfill the commitments specified therein, in line with the goals, objectives, principles, and modalities laid out in the Government's National Development Strategy (1997) and the agenda of the agriculture sector

2. The Development Partners pledge collectively to fulfill the commitments specified therein, in line with Paris Declaration of 2005.

3. The African Union, COMESA and other Regional Partners pledge collectively to fulfill the commitments specified therein, in line with the Maputo Declaration of 2003 and the global principles attached to the implementation of CAADP

4. The Parliament, Cabinet, Chiefs, Private Sector and Farmer Organizations collectively, pledge their support to realizing the aspirations of this COMPACT.

Ezulwini, Swaziland 4th March 2010

Signatures

Signed and dated as follows:

We accept the arrangements set out in all the sections of this CAADP COMPACT

GOVERNMENT OF THE KINGDOM OF SWAZILAND:

Government. Signature:

Name: Barnabas S. Dlamini Title: Prime Minister of Swaziland Date: 4th March 2010

Ministry of Agriculture

Signature: Name: Clement M. Dlamini Title: Minister for Agriculture Date: 4th March 2010

Ministry of Economic Planning and Development

Signature: Name: Prince Hlangusemphi Title: Minister for Economic Planning and Development Date: 4th March 2010

Ministry of Finance

Signature: Name: Majozi V. Sithole Title: Minister for Finance

Date: 4th March 2010

.....

UNITED NATIONS.

United Nation Development

Signature: Name: T. Bandora Title: UNDP Resident Representative Date: 4th March 2010

.....

THE AFRICAN UNION

Signature:..... Name: H.E. Commissioner Rhoda Peace Tumusiime Title: Commissioner for Rural Economy and Agriculture Date: 4th March 2010

.....

COMESA

Signature:

Name:

Title:

Date:

DEVELOPMENT PARTNERS

Signature:

Name:

Title:

Date:

.....

FARMERS ORGANISATIONS

Swaziland National Agricultural Union

Signature:

Name: Jabulani Tsabedze

Title: President

Date: 4th March 2010

.....

PRIVATE SECTOR

Federation of Swaziland Employers.

Signature:

Name: Ms Zodwa Mabuza

Title: Chief Executive Officer

Date: 4th March 2010

.....

CIVIL SOCIETIES

Signature:

The Co-ordinating Assembly of Non-Government Organization.

Name:

Title:

Date: 4th March 2010

.....