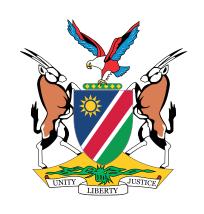
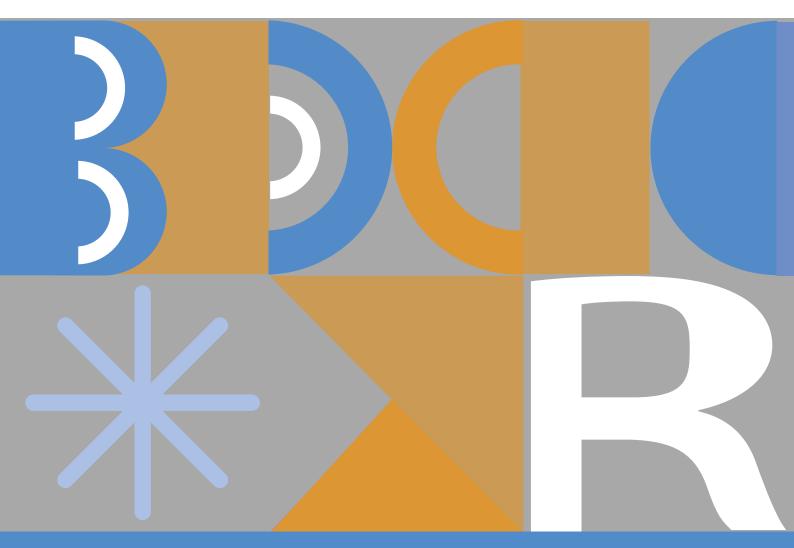
2021 CAADP BIENNIAL REVIEW BRIEF



NAMIBIA



Africa Agriculture
Transformation Scorecard:
Performance and Lessons

Africa Agriculture Transformation Scorecard: Performance and Lessons

2021 CAADP Biennial Review Brief: Namibia

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Established in 2006 under the Comprehensive Africa Agriculture Development Programme (CAADP), the Regional Strategic Analysis and Knowledge Support System (ReSAKSS) supports efforts to promote evidence- and outcome-based policy planning and implementation. In particular, ReSAKSS provides data and related analytical and knowledge products to facilitate CAADP benchmarking, review, and mutual learning processes. AKADEMIYA2063 leads the work of ReSAKSS in partnership with the African Union Commission, the African Union Development Agency-NEPAD (AUDA-NEPAD), and leading regional economic communities (RECs).

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1. Introduction

Addressing Africa's agricultural challenges has the potential to unlock inclusive economic growth, benefit smallholder farmers, boost food production, and end hunger. It is against this backdrop that the Comprehensive Africa Agriculture Development Programme (CAADP) was born through the Maputo Declaration of 2003 of the Heads of State and Government of the African Union (AU). CAADP aims to increase public investment in agriculture by allocating a minimum of 10 percent of national budgets to the sector and to consistently achieve agricultural productivity growth of 6 percent per year.

In response, African countries signed CAADP Compacts for their countries and formulated national agriculture and food security investment plans. Underpinning CAADP are the core principles of the African Union, which include African and local ownership and responsibility, transparency, and accountability. Other core values include mutual partnerships, inclusiveness, and collective responsibility, as well as a commitment to fundamental institutional and policy reforms.

A recommitment to agricultural transformation across the continent was made by the Heads of State and Government of the AU through the 2014 Malabo Declaration on Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods (AUC 2014). The Malabo Declaration outlines the vision of Africa's leaders for accelerating agricultural growth and transformation on the continent between 2015 and 2025 through the pursuit of seven broad commitments, namely:

- 1. Upholding the principles and values of CAADP.
- 2. Enhancing investment finance in agriculture, particularly through upholding the 10 percent of public expenditures being allocated to agriculture and the operationalization of the African Investment Bank to mobilize and disburse investment finance for priority agriculture-related investment projects.
- 3. Ending hunger in Africa by 2025, particularly through doubling productivity through increasing access to inputs, irrigation, and farm mechanization; reducing post-harvest losses by half, and reducing the prevalence of stunting in young children to 10 percent.
- 4. Reducing poverty by half by 2025 through inclusive agricultural growth and transformation. This will be achieved through sustained annual agricultural GDP growth of 6 percent, establishing public-private partnerships for strengthening priority agricultural commodity value chains with strong linkages to smallholder farmers, creating jobs in agricultural value chains for at least 30 percent of Africa's youth, and facilitating the participation by women and youth in gainful and attractive agribusinesses.
- 5. Boosting intra-African trade in agricultural commodities and services. By fast-tracking the African Continental Free Trade Area and establishing a common external tariff scheme continent-wide, the aim is to triple the level of such trade by 2025.
- 6. Enhancing resilience of livelihoods and production systems to climate variability and related risks by investing in social security for rural workers and other vulnerable social groups and mainstreaming resilience and risk management in policies, strategies, and investment plans.
- 7. Ensuring mutual accountability for actions and results by conducting a Biennial Review (BR) continent-wide to monitor progress in achieving the seven Malabo Declaration commitments.

To meet the seventh commitment on mutual accountability, every two years African countries present to the AU a report on their progress on agricultural transformation. In addition to gauging progress in the country toward achieving the seven Malabo Declaration commitments by 2025, each report also assesses the country's capacity for evidence-based policy and program design and implementation, monitoring and evaluation, peer review, and mutual accountability.

To date, three BR reports have been submitted by each country and compiled into a continental report that is presented to the Heads of State and Government of the AU for their endorsement. The inaugural BR (AUC 2018) was compiled and presented in 2017 and the second in 2019 (AUC 2020). The report on the third BR of 2021 and the associated Africa Agriculture Transformation Scorecard were launched at the 35th AU Summit in February 2022 (AUC 2021, Matchaya et al. 2021). Namibia has participated in all three BRs, submitting a country report to the AU in each BR cycle.

This brief draws on the third BR report to summarize the performance of Namibia in pursuit of the seven Malabo Declaration commitments and assesses the challenges faced and the lessons learned by the country. The brief also reviews policy, programmatic, and investment changes in Namibia induced by the three BR cycles. The final section highlights policy actions and programmatic measures Namibia must take to meet the Malabo commitments by 2025.

2. Progress by Namibia in Achieving the Malabo Commitments

Table 1 presents Namibia's performance scores overall and by Malabo commitment over the three BR cycles. Namibia's overall performance was on-track only in the first BR of 2017. In that inaugural BR, Namibia scored 4.11 against an overall performance benchmark score of 3.94, the minimum score for a country to be considered at the time to be on-track to achieve the Malabo Declaration commitments by 2025. At commitment level, Namibia was found to be on-track in the first BR for four Malabo commitments. However, in the second BR, the country registered an overall performance score of 3.41 against a benchmark of 6.66, so was rated not to be on-track overall. Namibia's performance on the seven Malabo commitments in the second BR was below the benchmarks for all.

 Table 1. Namibia—summary of Biennial Review scores by Malabo commitment

	F	irst BR (2	2017)	Second BR (2019)			Third BR (2021)			. %
Malabo commitment	Score	Bench- mark	Progress	Score	Bench- mark	Progress	Score	Bench- mark	Progress	change, 3 rd BR- 2 nd BR
Recommitment to CAADP	4.79	3.33	On track	4.26	10.00	Not on track	6.43	10.00	Not on track	51
2. Enhancing agriculture finance	4.16	6.67	Not on track	4.48	10.00	Not on track	2.47	7.50	Not on track	-45
3. Ending hunger by 2025	2.65	3.71	Not on track	1.47	5.04	Not on track	2.90	6.32	Not ont rack	97
4. Halving poverty through agriculture	3.13	2.06	On track	0.55	3.94	Not on track	0.47	5.81	Not on track	-15
5. Intra-Africa trade in agriculture	3.85	1.00	On track	1.99	3.00	Not on track	3.00	5.00	Not on track	51
6. Enhancing resilience to climate change	4.01	6.00	Not on track	5.83	7.00	Not on track	8.33	8.00	On track	43
7. Mutual accountability	6.16	4.78	On track	5.10	7.67	Not on track	4.94	8.33	Not on track	-3
All commitments	4.11	3.94	On track	3.41	6.66	Not on track	4.08	7.28	Not ont rack	20

Source: Authors' calculations based on Namibia Biennial Review scores.

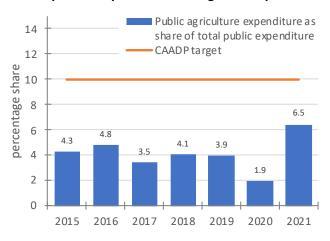
In the third BR of 2021, which is the focus of this brief, Namibia attained an overall performance score of 4.08 against a benchmark of 7.28, so the country remained off-track. However, even though off-track overall, the country was found to be on-track for the Malabo commitment on enhancing resilience to climate change (commitment 6). Although below the commitment-specific benchmarks, Namibia was also rated as progressing well between the second and third BRs on several commitments—those on recommitment to CAADP principles, on ending hunger, and on intra-Africa trade—as seen in the last column of Table 1 on the percentage change in the commitment-specific performance scores between the second and third BRs. However, the country's performance on agricultural finance and on halving poverty through agriculture regressed between the second and third BRs, while little change was seen in Namibia's performance on the mutual accountability commitment. Thus, Namibia's performance on the seven Malabo Declaration commitments has been evaluated as inconsistent across the three BRs to date.

To gain a better understanding of Namibia's performance under the three rounds of the BR, we examine its performance on three specific BR indicators—the share of public expenditure devoted to agriculture, the intensity of inorganic fertilizer use, and the share of agricultural GDP devoted to agricultural research and development.

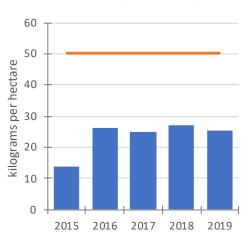
Figure 1 (left) shows the share of total national public expenditure devoted to agriculture in Namibia. According to the second Malabo Declaration commitment on increasing financing to agriculture, countries are expected to invest at least 10 percent of their national budget in the agricultural sector every year. This target originates from the 2003 Maputo Declaration and was carried into the 2014 Malabo Declaration. Namibia's investment has trailed the CAADP target over time, although by 2021, the share of agricultural spending rose to 6.5 percent, up from its five-year average of around 4 percent. The lowest level of public investment in agriculture in Namibia was observed in 2020, which may be explained by the effects of the COVID19 pandemic.

Figure 1: Namibia—trends on public expenditure on agriculture as a share of total public expenditure and on fertilizer applied per hectare of cropland

Public expenditure on agriculture as a share of total public expenditure—target is 10 percent



Fertilizer applied per hectare of cropland—target is 50 kg/ha



Source: AU 2021 and World Bank 2021.

Figure 1 (right) presents the average inorganic fertilizer use in Namibia in kg per hectare. Namibia reports low levels of inorganic fertilizer use per hectare of cropland. The Malabo Declaration target for fertilizer consumption is 50 kg/ha by 2025, which almost certainly is far above Namibia's reach. Namibia's average fertilizer consumption per hectare of arable land has remained below 25 kg/ha over the past five years. Namibia must do more to increase fertilizer use in the agriculture sector.

Several marketing and technical constraints continue to impede the production, distribution, and consumption of fertilizers by Namibia's farmers. Marketing constraints include uncertain policy environments, weak and ineffective regulatory frameworks, limited agro-business networks, high inland transport costs, limited access to finance, the small size of commodity markets, and high fertilizer retail prices. The technical constraints include farmers' limited awareness and understanding of the benefits of fertilizers and extension services that have not provided them with this information. Although efforts have been made to address those constraints, fertilizer distribution systems in Namibia remain weak.

With ongoing Africa-wide campaigns promoting fertilizer consumption, the use of fertilizer is expected to increase substantially in Namibia and Africa at large (ECA 2021). African fertilizer demand was projected to increase annually by between 2.8 and 6.8 percent between 2015 and 2020, with the greatest increase expected in sub-Saharan Africa. African fertilizer consumption is expected to reach approximately 19 kg/ha by 2021. That figure is still below the Malabo Declaration target of 50 kg/ha, however.

On the share of agricultural GDP devoted to agricultural research and development in Namibia, data is scarce. However, it was estimated in 2017 that 0.8 percent of Namibia's agricultural GDP was invested in agricultural research and development (AUC 2021). This level fell to 0.69 percent in 2018. Because agricultural research and development catalyzes overall sectoral growth, the Malabo Declaration set a goal that African Union member states should invest at least 1.0 percent of their agricultural GDP in agricultural research and development. Namibia's levels of investment are approaching the target, although the investment level declined slightly between 2017 and 2018. Increased spending on agricultural research and development is required in Namibia, as it is in most AU member states.

3. Challenges and Lessons Learned from the Third Biennial Review in Namibia

The performance of Namibia as measured in the three BRs clearly shows that the country faces significant hurdles to achieve all seven Malabo commitments by 2025. However, the BR process through which Namibia's performance is assessed is not wholly without challenges both in terms of the process for conducting the third BR in the country and the data used for the review.

Process challenges and lessons: The third BR was conducted in Namibia under COVID19 conditions when gatherings of country officials were restricted. However, generally, the third BR had fewer significant challenges than were experienced with the earlier two BRs. The cumulative lessons learned from the first and second rounds of the BR were used to improve the third BR. In addition, coordination was improved for the third BR compared to the first and second through establishing inclusive multi-stakeholder mutual accountability mechanisms. This resulted in an improvement in scores on some Malabo commitments between the second and third BRs. Moreover, the use of the electronic BR platform (eBR) for the third BR removed the burden of manual calculations of the BR indicators at country level and also simplified the process of checking for missing data or outlier cases.

The Secretariat of the Southern African Development Community (SADC) also hosted a validation BR workshop during the third BR. This led to better data quality for Namibia as well as for other SADC member states. After Namibia reported on its BR performance, the SADC Secretariat worked with the Regional Strategic Analysis and Knowledge Support System (ReSAKSS) to conduct a BR validation at the regional level. This involved subjecting the Namibia country report to close assessment and review alongside the BR reports from other countries in SADC. Comments from this exercise were given back to Namibia for the BR team to address. This was followed by a write shop to further improve the data reported by identifying data gaps in both the physical data and the eBR platform. These processes uncovered several data challenges, many of which were addressed.

This support from the SADC Secretariat and ReSAKSS was important for improving the quality and rates of reporting of data from Namibia for the third BR. Continent-wide, the Commission of the AU trained one or two experts from each country involved in the third BR. However, the demand for better data requires that more people in each country be trained for future BRs. Namibia should expand its BR team to effectively meet these demands.

Data challenges and lessons: Data availability and quality challenges continue to affect the BR process in Namibia. Data is missing for many indicators—on total agricultural research spending; on private sector investment in agriculture; on intra-African trade policies and institutions, border administration, and commodity-specific trade volumes and values; on resilience to climate variability, and on post-harvest losses, food security and nutrition, and food safety. Namibia also struggles with implementing data standards and data collection protocols required for improving data accuracy, tracing, and verification. However, the use of the digital platform, eBR, for capturing data for the third BR eased data cleaning and verification.

4. Policy and Programmatic Changes in Namibia following the First Three Biennial Reviews

Even though the country did not meet the third BR benchmark for its overall performance in making progress toward achieving the Malabo commitments by 2025, Namibia made several important policy and programmatic changes between the second and the third BR that resulted in some improvements:

- Efforts were made to domesticate the Malabo Declaration in the agricultural policies and strategies of the Namibian government.
- A national roadmap for implementing the Malabo Declaration in Namibia was written.
- Namibia is drafting a Malabo-compliant National Agricultural Investment Plan (NAIP).
 Consultations are ongoing with stakeholders to finalize the NAIP by the end of the 2022/23 financial period.
- An appraisal report of the NAIP drafting process found that the process to date has been compliant with the principles and priorities of the Malabo Declaration.
- The priorities in the draft NAIP, which are Malabo Declaration-compliant, are being reflected in the national budget for Namibia.

The BR process has led to an increase in dialogue between public and private players in Namibia's agricultural sector. In addition, the BR team for Namibia has met with peers in countries that have conducted successful NAIP development processes, such as Rwanda and Zambia. These interactions have generated interest in initiating similar policy changes in Namibia's agricultural sector.

5. Namibia—Priority Actions and Recommendations for Ensuring Achievement of Malabo Commitments by 2025

At the time of the third BR, Namibia was only on-track to meet one Malabo Declaration commitment by 2025, although there are signs of good progress on several other commitments. Specific attention is needed on several issues to enable the country to achieve all seven by 2025. To do so, Namibia should implement the following:

- Recommitment to the CAADP process: Namibia should pay special attention to all Malabo Commitments to be on-track on them by the next BR process. This calls for Namibia to regard the CAADP agenda as a priority area and to recommit itself to domesticating the CAADP process, particularly within the National Development Plan for Namibia, as well as in sectoral policies. If all national policies are aligned with the CAADP agenda, there should be no parallel agricultural investment programs at the national level. In this regard, Namibia needs to ensure that priority programs and projects aligned with CAADP are captured in the NAIP under development. Namibia is not now implementing CAADP through an endorsed and accepted NAIP.
- Namibia should also invest in improving agricultural data systems. Doing so will result
 in more effective monitoring and evaluation systems to aid in the evidence-based
 implementation of agricultural development programs and plans, while also resulting
 in higher quality and more comprehensive BR reports. This will involve more systematic
 collection and storage of national data. BR reporting formats and requirements should
 be incorporated into these data systems to align data reporting protocols.
- Enhancing agriculture finance: Public spending in the agricultural sector should be strengthened through targeted programs at the national level. In particular, increased spending on agricultural research and development is required. Targeted programs on agricultural finance should be developed as they will improve the performance of the intertwined Malabo commitments on finance (2), hunger (3), poverty (4), and trade (5).
- Ending hunger by 2025: The promotion of nutrition-sensitive agriculture will contribute to reducing maternal mortality and stunting and wasting in young children. Malnutrition contributes to 23 percent of child deaths in Namibia. While Namibia has made significant progress in improving child health outcomes as evidenced by reductions in infant and under-five mortality, there has been slow progress in reducing malnutrition. Stunting rates remain unacceptably high at 34 percent among children under five years, indicating that chronic food and nutrition insecurity are still prevalent (AUC 2019).
- Halving poverty through agriculture by 2025: Namibia should find innovative ways to develop inclusive public-private partnerships in priority commodity value chains to establish strong linkages between smallholder agriculture and the public and private actors in them. At the same time, training and affordable loans should be provided to youth and women in agribusinesses so that they can be more intensively involved in and grow those agribusinesses. Doing so will expand employment opportunities for their peers. Specifically, participation by youth and by women in income-generating horticulture activities should be increased to improve access to affordable and nutritious food and to reduce unemployment and poverty.
- Intra-Africa trade in agricultural commodities and services: Namibia ratified the African Continental Free Trade Area in 2019 to enhance trade with other African countries. However, it now must effectively expedite its operationalization. Part of such efforts will be improving its transport and communication infrastructure.
- Enhancing resilience to climate change: Namibia is on track for this Malabo commitment. This is commendable since the country is at high risk of experiencing adverse weather conditions. Improved resilience to the adverse effects of climate change should always be among its development priorities. In line with this objective, Namibia should further strengthen and expand social protection. It also should accelerate skills development in sustainable land and water management for farmers, training them in how to profitably employ climate-smart agricultural production techniques.

• Enhancing mutual accountability for actions and results: Namibia has reversed its early progress on this Malabo commitment since the first BR. However, Namibia continues to adhere to the principle of mutual accountability and has established a mutual accountability mechanism and platform to guide action and to support BR efforts. However, further coordinated efforts are needed to improve monitoring and evaluation in agriculture as well as agricultural data collection and management systems in the country. It also is accepted that the use of robust statistical analysis techniques for decision-making will be a critical input to enabling NAIP implementation to be evidence-based and successful in Namibia. However, for this improved information to affect policy and programs, the government and its development partners also need to hold Agricultural Joint Sector Reviews more regularly.

There are several other actions that agricultural stakeholders in Namibia should pursue to enable the country to achieve by 2025 the seven Malabo Declaration commitments.

- Engage on agricultural development issues with the House of Parliament. Namibia does not have a parliamentary committee on agriculture. CAADP stakeholders in Namibia must reach out to Parliamentarians so that they champion the process of CAADP domestication and the finalization of the NAIP. Members of Parliament are also important in ensuring the requisite support from Namibia's development partners is received, with a focus on investments that reduce vulnerability to shocks rather than on emergency responses after adverse shocks occur.
- A range of actions in the land sector is needed. Policy reforms are needed to expand land ownership and improve access to land for poorer Namibian households so that the economic and agricultural potential of communal land, in particular, is unlocked through increased investment.
- Increase the access of farmers to high-productivity agricultural inputs and technologies.
 This will involve strengthening Namibia's agricultural extension services so that
 they are effective challenges for providing farmers with information on agricultural
 mechanization, on new improved crop varieties, and on climate-smart agriculture,
 conservation tillage, and other climate change adaptation measures.
- Namibia should improve farmers' access to fertilizer by developing and scaling-up input dealer and community-based input supply networks across rural areas.

More broadly related to achieving the Malabo Declaration commitments, Namibia needs to focus on the inputs needed to achieve those commitments. It is difficult to measure progress toward achieving the commitments when the inputs required to make such progress are not clear. Therefore, important to improve agricultural data and monitoring and evaluation systems to aid evidence-based planning for achieving the objectives of the NAIP for Namibia, which will contribute to achieving the Malabo Declaration commitments.

Government is not solely responsible for achieving the Malabo commitments. The private sector and other non-state actors, including civil society and other non-governmental organizations, are key to achieving the commitments. Namibia should seek to integrate these other non-state stakeholders into CAADP-related processes in Namibia, particularly relying on them to a larger extent than is the case at present for financial and technical support.

The coordinate the efforts of this wider range of participants in the efforts in Namibia to achieve the Malabo commitments, clusters or working groups aligned to each of the seven commitments is needed to improve performance and progress on each, as well as to improve BR reporting rates on each.

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