

ReSAKSS 

Africa Wide

Regional Strategic Analysis and Knowledge Support System

FACILITATED BY IFPRI  | A PROGRAM IN SUPPORT OF CAADP IMPLEMENTATION

ReSAKSS Quarterly Progress Report[†]

April-June 2011

[†] Kindly send comments to s.benin@cgiar.org

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INTRODUCTION AND OVERVIEW

Since January 2007, the International Food Policy Research Institute (IFPRI) and the Africa-based CGIAR Centers (IITA, ILRI and IWMI)² have provided strategic and monitoring analysis to guide implementation and track progress and performance of the Comprehensive Africa Agriculture Development Programme (CAADP) of the African Union's New Partnership for Africa's Development (NEPAD) through establishment and operation of the Regional Strategic Analysis and Knowledge Support System (ReSAKSS). ReSAKSS is a knowledge management platform offering high-quality knowledge products and tools to improve policymaking, track progress, document success, and derive lessons for the implementation of the CAADP. ReSAKSS consists of three regional nodes housed at the Africa-based CGIAR centers of IITA (ReSAKSS-WA), ILRI (ReSAKSS-ECA) and IWMI (ReSAKSS-SA) and an Africa-wide node based at IFPRI (ReSAKSS-AW).

ReSAKSS started with an inception phase (Phase 1, 2006-09) through a transitional phase (2010) to the current consolidation phase (Phase 2, 2011-15) to better support Africa's agricultural development agenda and to deepen its work in identified priority areas, continuing to work under the three programmatic component areas (strategic analysis, knowledge management, and capacity strengthening) under a governance and management system to enhance maximum impact.

This document presents progress made in April-June 2011 for four nodes: ReSAKSS-AW, ReSAKSS-ECA, ReSAKSS-SA, and ReSAKSS-WA.³

ReSAKSS-AW

2011 Work plan

Tasks	Delivery Date	Description of Deliverable
<p>1. Annual Trends and Outlook Report (ATOR)</p> <ul style="list-style-type: none"> • Feature topic (agricultural productivity) <ul style="list-style-type: none"> ○ Lead formulation of and coordinate research across partners ○ Contribute to analysis and write-up of different components ○ Lead write-up of overall project report 	31 October	<ul style="list-style-type: none"> • Concept Note and Proposal outlining activities and outputs (see January-March progress report) • Outputs and reports

² IITA is the International Institute for Tropical Agriculture, ILRI is the International Livestock Research Institute, and IWMI is the International Water Management Institute.

³ The workplan for the overall five-year project (i.e. January 2011 to December 2015) and for 2011 (i.e. January to December 2011) are laid out in <http://www.resakss.org/?thumb=50784>. Progress report for January-March 2011 is available at <http://www.resakss.org/index.php?pdf=50785>.

<ul style="list-style-type: none"> • Trends and analysis of CAADP M&E core indicators <ul style="list-style-type: none"> ○ Collate data across regional nodes ○ Analysis & write-up 	31 December	<ul style="list-style-type: none"> • Methodology for calculating continental and regional average values of the CAADP M&E indicators • Draft report (by 31 Dec 2011) to be used in consultations • Final report (by March 2012) to be presented at CAADPP
2. Technical Assistance (TA) to setting up CAADP Country SAKSS	Throughout year	<ul style="list-style-type: none"> • Architecture, functions and outputs of the country SAKSS • Backstop ReSAKSS regional nodes
3. Capacity Strengthening of AUC, NPCA and other Africa-wide institutions involved with CAADP	Throughout year	Report on purpose, topic and tools used for capacity strengthening activities, e.g., involvement with growth and investment analysis, CAADP technical reviews
4. Knowledge management <ul style="list-style-type: none"> • Website updates • Monthly e-Newsletter and weekly blog 	Throughout year	A website that is independently managed and continuously updated products, news, events, and other information relevant to CAADP implementation in Africa
5. Occasional analysis and papers (on topics such as impact assessment, investment analysis, and high food prices—these are limited and serve only to respond to urgent needs to deal with short term issues of broad strategic consequence)	Throughout year	Research topics, tasks, deliverables and delivery dates shall: <ul style="list-style-type: none"> • be agreed upon with each ReSAKSS Continental Steering Committee, ReSAKSS regional and country nodes, and other stakeholders; • fall within the mandate and competence of ReSAKSS-AW; and • depend on availability of resources aside from those allocated to other tasks and deliverables
6. Coordination and oversight across regional and country nodes, and provision of centralized services		<ul style="list-style-type: none"> • Leading and/or following up with: <ul style="list-style-type: none"> ○ annual workplans and contracts ○ quarterly and annual reports ○ publications review ○ other deliverables • Backstopping regional and country nodes on: <ul style="list-style-type: none"> ○ M&E ○ Webpage development

Progress

1. Annual Trends and Outlook Report (ATOR)

The **2010 ATOR** (also the CAADP continental M&E report) that was presented at the 7th CAADP partnership platform meeting held on 23-25 March 2011 in Yaoundé, Cameroon, has been finalized and is now published and available at the ReSAKSS website (<http://www.resakss.org/index.php?pdf=50920>).

We have made further progress on the **2011 ATOR feature topic on agricultural productivity**. Several meetings to discuss progress and lay out immediate next steps were held to keep focus and maintain momentum. The results will first be presented at the conference on “increasing agricultural productivity and enhancing food security in November” (see below on conference). These will be organized under **four** papers: the first is on trends and spatial analysis of different indicators of agricultural productivity; the second is on analyzing the determinants of agricultural productivity and assessing the benefits of alternate strategies for raising agricultural productivity; the third is on case studies of successful and failed agricultural investment programs; and the fourth is on developing typology(ies) of agricultural

productivity zones relating to the evolution of technology adoption and pathways of agricultural productivity growth.

The aim of the first paper on trends and spatial analysis of different indicators of agricultural productivity is to better understand the usefulness of different measures of agricultural productivity in monitoring and evaluation. This primarily involves bringing together several datasets and information to generate GIS data layers of 10x10 km grids to analyze different production systems (including rain-fed, irrigated areas, livestock systems) and measures of productivity.

The second paper involves household surveys, econometrics, and GIS and spatial analysis of the determinants of agricultural productivity to indentify the key drivers and constraints for raising agricultural productivity at different levels (Africa-wide, regional and national). The focus is on spatial determinants of technology adoption, based on the assumption that technology adoption results from profitability of the particular technology, which depends on output and input prices and technical parameters (yields and input use). As prices are not directly observed, the paper assumes further that household prices are a function of distance to markets and transaction costs (again spatial variables are used). On the other hand, yields and input productivity are functions of natural resource quality in different regions. Using this information, a reduced-form model that relates dependent variables with spatial explanatory variables (which are basically instruments for the non-observed economic variables) is utilized. Dependent variables are obtained from household survey data which are spatially allocated, including adoption or not of different technologies, access to credit, extension and other variables affecting technology adoption. Spatial explanatory variables: soil aptitude for agriculture, distance from each location to the nearest secondary or primary road, distance to nearest town and village, characteristics of production systems in each location, administrative boundaries, etc.

To strengthen the findings and implications of the second paper, i.e. determinants of determinants of agricultural productivity, the third paper is based on case studies of selected agricultural investment programs and value chains (both successful and failed and including investment programs in similar agro-ecological zones AEZs beyond Africa) to identify what worked well where and why or why not.

The fourth paper ties the different pieces together by indentifying alternative strategies and policies for raising agricultural productivity based on a typology of agricultural production zones (APZs) according to similarity in likely pathways of technology adoption and agricultural productivity growth. Building on the FAO farming systems demarcation and IFPRI-HarvestChoice SPAM data, this paper uses statistical and econometric methods, particularly spatial and cluster techniques, to develop the typologies. First, FAO farming systems and NDVI are used to create APZs. Then, econometric analysis is used to extract the (major) determining factor in identifying each APZ. The resulting determining factors also help us to recognize the constraints in each agricultural productivity potential zone, and, thus come up with a typology. The typology is first validated using spatially-referenced data at the local level, and then used to make recommendations of alternative policies and strategies that different countries can pursue to raise and sustain high agricultural productivity and growth.

2. Technical Assistance (TA) to setting up CAADP Country SAKSS

ReSAKSS-AW continued working with AUC/NPCA to set up and operationalize country SAKSS. The main activity during the reporting period was planning for the meeting on “CAADP SAKSS & Mutual Accountability Framework Planning Meeting” that took place on 19–21 July 2011 in Dar es Salaam, Tanzania to:

- i. Discuss countries’ experiences and expectations in undertaking M&E and accountability related initiatives;
- ii. Develop strategies for providing coordinated support to countries in operationalizing and strengthening M&E and accountability systems;
- iii. Select additional countries for SAKSS and mutual accountability-support; and
- iv. Develop a roadmap for providing support to countries in the establishment / strengthening of country SAKSS and of mutual accountability mechanisms.

In preparation for the meeting, ReSAKSS-AW started a matrix that maps out key information (e.g. stage in CAADP process, status of SAKSS set up, existence and frequency of agricultural sector public expenditure reviews and joint agricultural sector reviews, etc) on each country to help determine where would be good to prioritize efforts to strengthen M&E and MA systems.

3. Capacity Strengthening of AUC, NPCA and other Africa-wide institutions involved with CAADP

The main activities here involved the CAADP M&E and Mutual Accountability Joint Action Group in helping to operationalize the CAADP Mutual Accountability Framework (MAF). This involved developing a short concept note (see below) to give details on the donor performance indicators and how data will be sourced. Particularly, how the CAADP M&E framework can be used to help monitor and report on those four indicators.

Donor Indicators, CAADP M&E Indicators, and Mutual Accountability

Improving the level, relevance, and reliability of evidence in CAADP decisionmaking processes is essential for success in implementation, and ultimately for greater and more desirable development outcomes. Thus, establishment and operation of systems of accountability, monitoring, and evaluation at different levels will be critical. This includes: SAKSS nodes at the country level; ReSAKSS and Monitoring and Evaluation (M&E) frameworks at the regional and continental levels; and Mutual Accountability at the national and international levels. In line with the *Indicators of Progress* of the Paris Declaration on the partnership between donors and countries,⁴ the CAADP DP TT has identified four indicators to monitor on its accountability toward implementation of CAADP.

⁴ See <http://www.oecd.org/dataoecd/57/60/36080258.pdf>.

Suggested Donor Indicators	Relevant CAADP M&E Indicators	Remarks
<p>1. Alignment: extent to which DP programs:</p> <p>Pursue same objectives and targets as in investment plans</p> <p>Adopt same M&E reporting system against these objectives and targets</p>	<ul style="list-style-type: none"> Percent of total resources required [for NAIP] that is committed [by donors] 	<p><u>Source:</u> see Table A2 of the CAADP M&E framework⁵ regarding resources for implementation of NAIP.</p> <p><u>Status/current effort:</u> some of this was reported in the 2010 CAADP continental M&E report⁶ for select countries, i.e. those that had gone through the technical reviews and revised their NAIPs (see section on “financing agricultural investments” of the report).</p> <p><u>Future effort:</u> via country SAKSS, can include some other qualitative information. For example, degree of use of outcome of Joint Sector Reviews as reporting system by donors</p>
<p>2. Scaling up:</p> <p>Level of disbursements, including bilateral, multilateral, Trust Funds, and grants to NGOs</p>	<ul style="list-style-type: none"> Amount of ODA that is channeled through direct government budget support Share ODA that is channeled through direct government budget support Share of ODA for agriculture in total ODA Share of ODA for agriculture in agricultural GDP 	<p><u>Source:</u> see Table A1 of the CAADP M&E framework on donor harmonization and Table A3 on increased spending agriculture sector</p> <p><u>Status/current effort:</u> reported on these in the 2010 CAADP continental M&E report (see section on “official development assistance (ODA)” of the report). Data is from the OECD CRS database.</p> <p><u>Future effort:</u> via country SAKSS, can report on different disbursements (bilateral, multilateral, Trust Funds, and grants to NGOs) for different activities and subsectors to the extent that participating donors provide necessary data</p>
<p>3. Harmonization: based on Paris targets:</p> <p>Use of common arrangements or procedures: percent of aid provided as programme-based approaches.</p> <p>Encourage shared analysis: percent of (a) field missions and/or (b) country analytic</p>	<ul style="list-style-type: none"> Proportion of donors adopting common mechanisms and procedures for financing development activities Share ODA that is channeled through direct government budget support 	<p><u>Source:</u> see Table A1 of the CAADP M&E framework on donor harmonization</p> <p><u>Status/current effort:</u> on share of ODA, see above.</p> <p><u>Future effort:</u> via country SAKSS, can also collect and report on shared analysis (percent of analysis and amounts spent) to the extent that participating donors provide necessary data</p>

⁵ See <http://www.resakss.org/index.php?pdf=39399>.

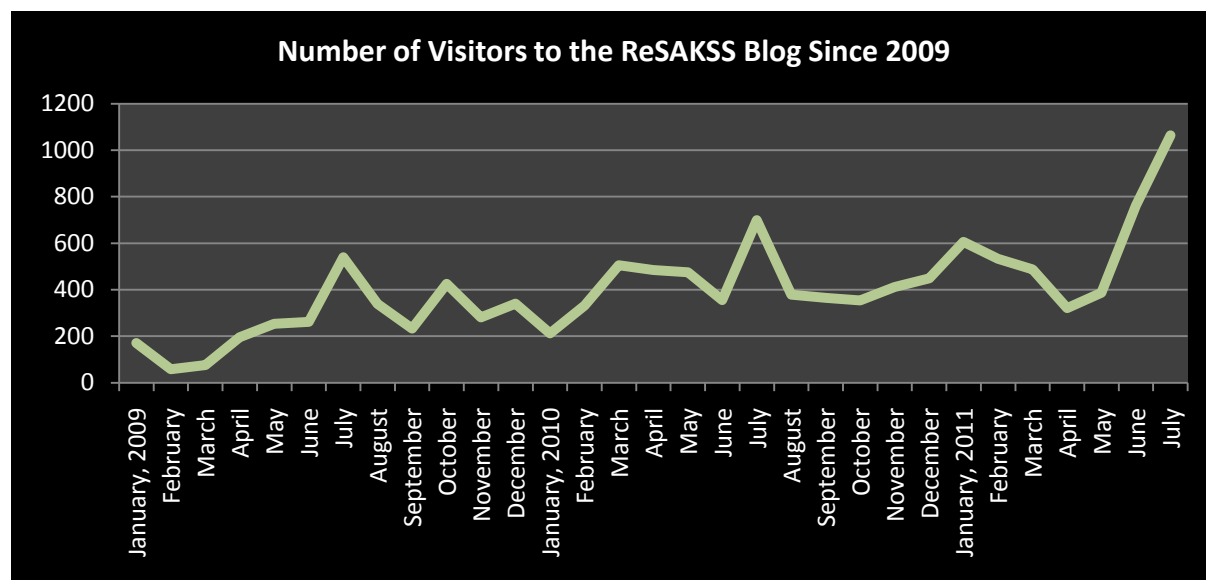
⁶ See <http://www.resakss.org/index.php?pdf=45486>.

<p>work, including diagnostic reviews that are joint[ly undertaken].</p>		
<p>4. Dialogue:</p> <p>Membership in dialogue fora at country, regional, and continental level, including via delegation, and in relation to geographic focus of interventions/investments</p>	<ul style="list-style-type: none"> • Composition of stakeholders involved at each major stage of the [CAADP] process 	<p><u>Source:</u> see Table A2 of the CAADP M&E framework on CAADP implementation process</p> <p><u>Status/current effort:</u> this was discussed only in general terms following identification of the different actors in the process (see section on “process and inclusion” of the report).</p> <p><u>Future effort:</u> can be done by reporting participation against membership information (e.g. Country JSR, REC Summit, CAADP PP). But it seems a more effective indicator will be number of joint (government and donors) agreements reached, as share of total agreements or other</p>

4. Knowledge management and Communications

Web platforms. In addition to continuously updating the website (www.resakss.org) content as new information becomes available, we also started consultations (a survey is underway) on how to improve the navigability and utility of the website. The ReSAKSS regional nodes were trained to update and manage their respective components of the website independently.

With a revamped communications campaign, ReSAKSS is now wired to social media outlets [ReSAKSS Blog](#), [Twitter](#), and [Facebook](#), seeking out and relaying the most recent and useful news, data, tools and stories related to CAADP, agricultural and rural development, and food and nutrition security in Africa. Consequently, traffic to the different platforms has increased rapidly (see figure below for visits to the Blog for example). We expect this trend to continue as we better understand the needs of our clients to the different platforms.



Conference on agricultural productivity. Preparations for the conference on [Increasing Agricultural Productivity & Enhancing Food Security in Africa: New Challenges and Opportunities on 1-3 November 2011 in Addis Ababa](#) is coming along well. ReSAKSS-AW (represented by Sam Benin) is member of the scientific and programming committee. The submitted abstracts have been reviewed and the outcome relayed to the respective authors. The conference program is being finalized. Please visit the conference webpage for further information.

5. Occasional analysis and papers

This mostly involved continuing with the analyses that were launched in the first quarter:

- *A Framework for Monitoring and Evaluating Regional Agricultural Programs in the COMESA Region* by Samuel Benin, Carly Petracco, Stella Massawe, and Joseph Karugia. The paper is currently under revision in response to reviewer comments.
- *Agricultural Growth and Poverty Reduction in Kenya: Technical Analysis for the Agricultural Sectoral Development Strategy (ASDS) – Medium Term Investment Plan (MTIP)* by Athur Mabiso, Karl Pauw, and Sam Benin. The final report has been submitted to the Kenyan government. A paper is being developed for an IFPRI Discussion Paper or a ReSAKSS Working Paper.
- *Analysis of using different data sources and indicators in reporting progress in program implementation: implications for CAADP M&E* by Sam Benin and Linden McBride with support from ReSAKSS-WA. Ongoing.

6. Coordination and oversight across regional and country nodes, and provision of centralized services

Coordination: Regular email exchanges and Skype calls and a monthly team meeting were used in the continuation of updating activities and progress and problem solving.

Publications: Four papers were submitted to ReSAKSS-AW for review during this reporting quarter, bringing the total to 13 at different stages in the publications pipeline so far this year.

Title	Authors	Publication type	Status
Trends and Outlook on Agricultural and Rural Development Indicators in Uganda		ReSAKSS-ECA ATOR 2010	R
Trends and Outlook on Agricultural and Rural Development Indicators in Kenya		ReSAKSS-ECA ATOR 2010	R
Agricultural growth trends and outlook report in Southern Africa	Pius Chilonda and Precious Zikhali	ReSAKSS-SA ATOR 2010	R
Mapping and monitoring agricultural land use in West Africa		ReSAKSS-WA Issue Brief	R
Improving Fertilizer Markets in West Africa: The Fertilizer Supply Chain in Senegal	P. A. Fuentes, M. Johnson, and B. Bumb	ReSAKSS-AW Working Paper	V
Agriculture Input Utilization and Crop Production in the Eastern and Central African Region	S. Massawe, J. Karugia, and P. Guthiga	ReSAKSS-ECA Issue Brief	F
Trends in Staple Food Prices in ESA	J. Wanjiku, J. Wambua, and J. Karugia	ReSAKSS-ECA Issue Brief	V
Status, distribution, and determinants of poverty in the COMESA region: A review of existing knowledge	Kabubo-Mariara, S. Massawe, J. Wanjiku, J. Karugia	ReSAKSS-ECA Working Paper	F
Persistent High Food Prices in the COMESA Region Causes, Effects and Policy Responses	J. Nzuma, S. Massawe, J. Karugia, E. Machari	ReSAKSS-ECA ATOR 2009	V
Trends in Key Agricultural and Rural Development Indicators in the COMESA Region		ReSAKSS-ECA ATOR 2010	V
Recent Trends and Future Prospects for Agricultural Sector Growth, Poverty Reduction and Investments in Southern Africa	Chilonda. P., Govereh. J., Kumwenda I., and Chalomba N.,	ReSAKSS-SA ATOR 2009	F
The structure and trends of public expenditure on agriculture in Mozambique	Chilonda. P, Boughton D., Chamusso A., Gemo H., Mlay G., and Zavale H.,	ReSAKSS-SA Working Paper	F
Monitoring African agricultural development processes and performance: A comparative analysis	Benin, S., Kennedy, A., Lambert, M., and L. McBride	ReSAKSS-AW ATOR 2010	P

Notes on status: S=submitted, R=under review, V=under revision, F=finalizing (editing, formatting, etc.) for publication, P=published

Many thanks to our **reviewers so far in 2011:**

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Athur Mabiso, IFPRI
 Tewodaj Mogues, IFPRI
 Ephraim Nkonya, IFPRI
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 Bingxin Yu, IFPRI

ReSAKSS Regional Nodes

2011 Work plan

Tasks	Delivery Date	Description of Deliverable
1. 2010 Annual Trends and Outlook Report (ATOR) <ul style="list-style-type: none"> Data collection on CAADP M&E core indicators Analysis & write-up 	15 March 2011	<ul style="list-style-type: none"> Database on CAADP M&E core indicators on countries in respective region (actuals up to 2009 and 2010 estimates) ATOR in similar format as the 2010 Continental Report
2. 2011 Annual Trends and Outlook Report (ATOR) <ul style="list-style-type: none"> Data collection for feature topic (agricultural productivity) Analysis & write-up 	31 August 2011	<ul style="list-style-type: none"> Data on selected indicators of agricultural productivity at the regional level and for selected countries (see annex) Report on agricultural productivity Database on CAADP M&E core indicators on countries in respective region [actual up to 2010] ATOR in similar format as the 2011 Continental Report
3. Technical Assistance (TA) to setting up CAADP Country SAKSS in selected countries in the respective region[†]	<u>Quarterly</u> 31 March 30 June 30 Sept 31 Dec 2011	Discussions (through missions, electronic and other means) with in-country officials (Ministry of Agriculture and CAADP Country Team), stakeholders (including state and non-state actors), and donors leading to establishment of country SAKSS. Main output of TA will be: <ul style="list-style-type: none"> Draft proposal on SAKSS Node (including: architecture, functions and outputs; funding; TORs for the Coordinator and Oversight Body; and Guidelines for the Network)[†]
4. Capacity Strengthening of REC and other regional institutions involved with CAADP in each region	<u>Quarterly</u> 31 March 30 June 30 Sept 31 Dec 2011	Report on purpose, topic and tools used for capacity strengthening activities; and number of people trained by institutional affiliation, gender, etc.
5. Webpage setup and management	30 June 2011	A webpage that is integrated with the ReSAKSS-AW website but independently managed and continuously updated by each ReSAKSS node with knowledge products, news, events, and other information relevant to CAADP implementation in the respective region
6. Occasional analysis and papers (on topics such as regional investments, regional trade, and high food prices—these are limited and serve only to respond to urgent needs to deal with short term issues of broad strategic consequence)	31 Dec 2011	Research topics, tasks, deliverables and delivery dates shall: <ul style="list-style-type: none"> be agreed upon with each ReSAKSS regional node's Steering Committee and other stakeholders in the respective region; fall within the mandate and competence of the ReSAKSS regional node; and depend on availability of resources aside from those allocated to other tasks and deliverables

[†] Target countries for 2011 are:

ReSAKSS-ECA: Burundi, DRC, Ethiopia, Kenya, Tanzania, and Uganda

ReSAKSS-SA: Malawi, Mozambique, Swaziland, and Zambia

ReSAKSS-WA: Ghana, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, and Togo

Progress: ReSAKSS-ECA⁷

1. 2010 Annual Trends and Outlook reports

Annual Trends and Outlook report for the ECA region for year 2010 has been reviewed to address comments from the external reviewers. This will soon be submitted to IFPRI for publication.

ReSAKSS-ECA supported completion of country ATOR in Uganda, Tanzania, Ethiopia and Rwanda. During the reporting ReSAKSS-ECA, with additional funding from USAID-East Africa, continued to support the development of 2011 agricultural trends and outlook reports for Burundi and DRC. The second draft of the Burundi report has been submitted to ReSAKSS-ECA for review. The first draft of the DRC has also been submitted to ReSAKSS. Feedback on areas for improvements was provided to the team. Report review is underway. Kenya and Uganda trends reports have been submitted to IFPRI for external review before publication as standalone national trends reports. Plans are underway to hold dissemination workshops for the Rwanda, Burundi and Uganda trends reports.

During the reporting period, the node collated more data on selected indicators of agricultural productivity at the regional level and for some selected individual countries in the region. Challenges relating to productivity data reported in the first quarter report. More information and data on livestock has been collated and incorporated in the draft report. In addition, a wide range of relevant references including papers and reports have also been collated. These materials are available for sharing to provide input in the Africa wide ATOR. Preparation of the ATOR for year 2011 which focuses on agricultural productivity as a feature topic is ongoing and near completion. A first draft of the report is available. This draft will be reviewed internally and updated to generate an updated draft that will be presented at a regional workshop being organised in collaboration with IFPRI's HarvestChoice programme (see concept note attached as Annex 1). Case studies on successful and failed regional and national programs have been collated and summarized. The first preliminary draft of this is available for sharing with the team working on the Africawide report. Collation of information on lessons from selected regional, country and sub-national investment programs and value chains has been done. Write-up to synthesize this information has been done and is included in the draft 2011 ATOR.

ReSAKSS-ECA has collaborated with IFPRI's HarvestChoice to develop a concept note for a technical consultative workshop to review productivity related knowledge products and the 2011 ATOR. The workshop will take place in Nairobi Kenya (26-27 September 2011). ReSAKSS-ECA and HarvestChoice teams are now preparing materials for the workshop.

⁷ ReSAKSS-ECA is facilitated by ILRI and IFPRI. You may send comments on this section directly to the ReSAKSS-ECA coordinator at j.karugia@cgiar.org.

Data on the trends of CAADP M&E indicators is being collated on a continuous basis. Recent support to countries to prepare trends reports has been a key method of obtaining more country data and information. However there are still challenges in getting updated data on some indicators due to lack of recent surveys in some countries. The ReSAKSS-ECA M&E database is being continually updated.

2, Technical Assistance to setting up CAADP Country SAKSS

Missions were fielded to Tanzania (in June and July) to organize a dissemination workshop for the trends and outlook report and to discuss the establishment of the Tanzania Country SAKSS held with officials of the Ministry of Agriculture and USAID Tanzania. Information on the SAKSS concept was shared with officials at USAID Tanzania; discussions on possibilities for funding of this node are underway. The Ministry of Agriculture has expressed interest in the SAKSS idea to enhance the capacity of Agricultural Sector Development Programme (ASDP) M&E Thematic Working Group. The dissemination workshop for the Tanzania Trends Report was held on 14 July. The workshop brought together a wide range of stakeholders from various institutions including: Government ministries and departments at the national level (25 participants), Local government authorities (7 participants), private sector (5 participants), universities (4 participants), JICA (1 participant), USAID (5 participants), IFAD (1 participant) and NGOs (3 participants). 22 percent of the participants were women. The list of workshop participants is attached as Annex 2.

During the reporting period, ReSAKSS-ECA continued to engage government officials on the establishment of country SAKSS in DRC and Burundi. Joseph Karugia and Stella Massawe visited Burundi on the first week of July for a follow up discussion on agriculture M&E in Burundi and joint organization of a dissemination workshop for Burundi's trends report. The team met the new Permanent Secretary in the Ministry of Agriculture, Mr. Joseph Nduwimana, and briefed him on these activities. Good political will to welcome the SAKSS idea is evident in both countries. Discussions on the formation of SAKSS have been well received. However, it appears that the process of establishing SAKSS longer term engagement before the ultimate results can be achieved. In order to establish and sustain national SAKSS there are various issues that require time, longer term technical backstopping and continuous follow up and negotiations. These include: resource mobilisation to support SAKSS, formulation of country networks, awareness creation to stimulate demand and use of SAKSS products among others. The node has made good progress in introducing the SAKSS concept in all countries of this region prioritized for this activity.

The teams assembled for the preparation of the country trends reports are expected to be key players in the SAKSS Nodes in their respective countries. ReSAKSS-ECA is providing technical assistance to the process of preparing the reports. ReSAKSS-ECA developed the Terms of References for the preparation of the reports and guided the constitution of the teams to include experts from various government departments and institutions of higher learning. ReSAKSS also has and will continue to provide advice on the preparation of the reports, reviewing drafts, providing editorial support, and facilitating validation and dissemination of the reports.

3. Capacity building and Enhancement

With additional support from USAID-East Africa, ReSAKSS-ECA conducted a three-day technical workshop on agricultural policy analysis with a focus on CAADP. Twenty-six participants from six countries in eastern and central Africa participated. Countries represented and their numbers of participants were as follows: Burundi (3), DRC (3), Ethiopia (3), Kenya (6), Tanzania (5), Rwanda (3), Uganda (3), and the East African Farmers Federation (1)—see Annex 3 list of participants. Twenty seven percent of the participants were women. The CAADP M&E framework document was also a key reference document during the training. An evaluation done during the workshop indicated that participants found such kind of training very useful. A large number of participants had a limited knowledge about CAADP and CAADP M&E framework. Most participants acknowledged that the workshop enhanced their understanding on CAADP.

Capacity in data management, analysis, and technical report writing and presentation skills is being impacted to the country teams involved in the development and dissemination of the country trends reports. This is a continuous process. For example, various drafts of the reports have been reviewed by ReSAKSS-ECA and feedback has been provided to the teams. Preparation of presentations for the validation workshops is being done with technical support from ReSAKSS-ECA as a part of capacity building activity.

4. Knowledge Management and Communications

- ReSAKSS-ECA has made several presentations and media talk in Kenya on the trends and situation of high food prices.
- ReSAKSS-ECA made a presentation on the status of key agriculture and rural development indicators in the COMESA ministerial meeting in Swaziland in July 2011
- Presentation on the CAADP M&E framework and SAKSS concept were made in various fora during the reporting period
- A poster titled *“Responding to the food price crisis using price policies: What are the pros and cons?”* was developed
- Review of the publications in the box below was completed during the reporting period.

Web page set-up and management

A data analyst from ReSAKSS-ECA has been in touch with the ReSAKSS-AW team. The node has been informed that there are some technical issues that need to be addressed before upload of materials by the node can be done. The node has submitted several documents for posting into the ReSAKSS web and newsletter. This activity is ongoing.

5. Occasional analysis and papers

ReSAKSS-ECA continues to work with COMESA to identify additional knowledge gaps. ReSAKSS-ECA participated in the COMESA’s Joint Ministerial meetings and will use the opportunity to firm these knowledge gaps and ways to address. The ReSAKSS-ECA Steering Committee, chaired by COMESA, will also be used in prioritizing key regional issues requiring analysis and to explore funding options.

Progress: ReSAKSS-SA⁸

1. 2010 Annual Trends and Outlook Report (ATOR)

The 2010 Annual Trends Report for Southern Africa was completed and has been forwarded to IFPRI for review (see Annex 4 for summary of key findings). The focus has now shifted to the 2011 report.

Data Collection for 2011 Report

Following the regional workshop held on May 2011 at the IWMI offices in Pretoria, South Africa, the M&E questionnaire was revised to accommodate the participant recommendations. Another eight national consultants have been identified and hired for data collection, bringing the total number of countries covered to twelve (12). These include: Angola, Botswana, Democratic Republic of Congo (DRC), Lesotho, Malawi, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe. A second regional methodology workshop, bringing together all the 12 national consultants, was held from 30 June to 1 July 2011 at the IWMI offices in Pretoria to review the final questionnaire (see attached), finalize timelines and expected outputs and launch the data collection exercise for the 2011 M&E report. The data collection will take place from 1-30 July 2011. The consultants will then meet again in Pretoria to submit all the data to a regional database and data management consultant that has been hired to organize the data. The data management consultant participated in the methodology workshop and has aligned the questionnaire to a database where the data will be entered. The national consultants will then proceed to prepare country narrative reports over the month of August 2011, while the ReSAKSS-SA team embarks on preparing the 2011 Annual Trends Report for Southern Africa.

Data analysis and Write up for the 2011 ATOR

Data analysis and report writing for the 2011 ATOR will commence in August 2011.

2. Technical Assistance to setting up CAADP Country SAKSS

Mozambique SAKSS

A MozSAKSS technical review meeting was held on 8 June 2011 in Maputo to review progress to date, discuss options for the future and review the Terms of Reference (TOR) for the upcoming external midterm review that will be conducted by SIDA in August 2011. IWMI/ReSAKSS-SA submitted all the contractual outputs, including the 2010 Mozambique Annual Trends and Outlook report. Several process outputs were also submitted. It was agreed that the program will close in December 2011 as planned, and the nature and design of the next phase of the MozSAKSS program will emerge from the external review.

Mozambique Trends and Outlook Report for 2010

The Mozambique ATOR was presented to the Ministry of Agriculture and key stakeholders at a technical workshop held in Maputo on 7 June 2011 (see annex 5 for summary of main findings). A team of four MINAG/DE staff took part in a final preparatory meeting for the presentation of report, which was held

⁸ ReSAKSS-SA is facilitated by IWMI and IFPRI. You may send comments on this section directly to the ReSAKSS-SA coordinator at e.musaba@cgiar.org.

at the IWMI offices in Pretoria from 1-3 June 2011. The MINAG/DE team participated in the presentation of the report at the technical workshop. The recommendations emerging from the meeting were incorporated and the report was officially submitted to MINAG on 17 June 2011 for official comments. A team of seven MINAG/DE staff were invited to take part in a policy brief training workshop held at IWMI offices in Pretoria from 4-8 July 2011. The team prepared three draft policy briefs from the 2010 ATOR that will be disseminated at a National Investment Policy Dialogue due on 11 August 2011 in Maputo. Additional comments on the report were received from IFPRI (Mozambique) and incorporated in the report. The report has now been submitted for translation into Portuguese ahead of the National Policy dialogue.

Establishing a Zambia SAKSS

A final Zambia SAKSS proposal was submitted to USAID Zambia for possible funding by October 2011. This is a joint proposal between ReSAKSS-SA, the Ministry of Agriculture and Cooperatives (MACO) and the Ministry of livestock and Fisheries Development (MLFD).

Strengthening Malawi SAKSS

Klaus Droppelmann from IFPRI Malawi and Emmanuel Kanchewa from Malawi's Ministry of Agriculture & Food Security (MoAFS) attended the regional methodology workshop held at the IWMI offices in Pretoria on 30 June–1 July to understand the CAADP M&E agenda and the questionnaire that will be used for data collection. This was part of the on-going dialogue to strengthen the Malawi SAKSS in CAADP M&E.

Establishing Swaziland SAKSS

Contacts for Swaziland SAKSS will be initiated in the 4th quarter

3. Capacity Building and Enhancement

SADC Regional Agricultural Policy (RAP): Dr. Chilonda attended as a member of the RAP Working Group meeting discussing formulation of the regional agricultural policy in Gaborone, Botswana from the 27-28 June 2011. ReSAKSS-SA continues to provide technical support to the RAP in terms of reviewing the prefeasibility studies and the drafting of the RAP Policy Statement

4. Knowledge Management and Communications

Web-pdfs for ReSAKSS-SA Working paper 27 (The Structure and Trends of Public Expenditure in Mozambique) and the 2009 Annual Trends Report are ready for the website. These will be loaded on the ReSAKSS website immediately.

5. Occasional Analysis and Papers

Occasional papers for 2011 will be centered around the common ReSAKSS Africa-wide theme on Agricultural productivity. Data collection towards this theme was discussed with National consultants during the M&E methodology workshop held from 30 June to 1 July 2011 at IWMI offices in Pretoria. It was agreed that data collection for the ag-productivity study will be launched at the end of August 2011 after completion of the CAADP M&E exercise. The specific terms of reference and questionnaire for this review are currently being developed.

Publications

1. Chilonda. P., Govereh. J., Kumwenda I., and Chalomba N., 2011, *ReSAKSS-SA Annual Trends and Outlook Report-2009: Recent Trends and Future Prospects for Agricultural Sector Growth, Poverty Reduction and Investments in Southern Africa*, Colombo Sri Lanka: International Food Policy Research Institute and International Water Management Institute.
2. Zavale H., Mlay G., Boughton D., Chamusso A., Gemo H., and Chilonda. P., 2011. *The structure and trends of public expenditure on agriculture in Mozambique*. ReSAKSS-SA Working Paper 27. Colombo, Sri Lanka: International Food Policy Research Institute and International Water Management Institute.

Progress: ReSAKSS-WA⁹

1. 2010 Annual Trends and Outlook Report (ATOR)

Both versions (French and English) of the 2010 ATOR for the ECOWAS region have been updated for the validation workshop which is taking place 4-8 July 2011 in Lomé, Togo.

2011 Annual Trends and Outlook Report

The validation workshop, which will also introduce the adopted CAADP Monitoring and Evaluation Framework and make proposals for its continued operationalization in the region, aims specifically to:

- Share the framework with the countries in West Africa
- Submit the first regional report of the CAADP and MDG 1 targets monitoring on the basis of the agreed framework and the shortcomings encountered
- Examine the framework in detail in order to propose the modalities of partnership at national and regional level for its implementation

Contribution was made in the methodology design of the agriculture productivity study for the 2011 ATOR.

⁹ ReSAKSS-WA is facilitated by IITA and IFPRI. You may send comments on this section directly to the ReSAKSS-ECA coordinator at m.yade@cgiar.org.

2. Technical Assistance to setting up CAADP Country SAKSS

The guidelines for the establishment of CAADP Country Team, including the SAKSS node drafted by ReSAKSS-WA, were shared and discussed with Ghana, Nigeria and Togo in the first quarter. The following updates can be made:

In **Ghana**, further support was given to the Ministry of Agriculture towards finalizing the country team proposal. ReSAKSS-WA held discussions with the ministry regarding the issues to be addressed before the proposal could be finalized. The following decisions were made:

- (1) The planning department of the Ministry of Agriculture would work towards fully setting up the node by the end of June 2011. They explained that the delay in concluding its set-up was due to the need to have inputs from the intended thematic group coordinators. This is necessary in order to create ownership by these coordinators.
- (2) The planning department would work according to available funds for arranging meetings necessary for forming the node, e.g. meeting of thematic group coordinators and other stakeholders. The unavailability of funds was stated as a challenge. ReSAKSS-WA encouraged them to finish the proposal as early as possible in order to obtain funding from the donors. They indicated that the pattern of funding of the CAADP process by donors did not indicate how countries could obtain funds to carry out the preparatory work for the NAIP and SAKSS. They observed an over-emphasis on regional and continental organizations in donor funding.
- (3) Certain aspects of the current draft of the proposal would be amended. These include the aspects that present the SAKSS as a library of literature rather than a mechanism which drives a process for making knowledge available for decision making.

In **Togo**, the work of the CAADP country team focused on the preparation of baseline surveys for a World Bank and FAO-coordinated agriculture projects and the harmonization of the M&E computer program with the Project Financial Management Computer program. ReSAKSS-WA reviewed the questionnaires and raised concern about their not taking into account all the M&E needs of the NAIP. The main reason given by the implementers was that the affected indicators were beyond those targeted by projects. Discussions are being held with the Togo team to find out ways to take into account the CAADP M&E indicators and those for other NAIP projects not covered by the current surveys. The Permanent Secretary of the ministry in charge of agriculture has also decided to nominate an interim full-time SAKSS coordinator.

In **Nigeria**, the CAADP Country Team proposal was finalized in consultation with stakeholders. The completion of the proposal involved several meetings with stakeholders in Abuja and discussions through the internet and telephone. The proposal has also been submitted for funding to one donor agency (USAID-Nigeria). Plans are being made to obtain funding from other donor agencies.

During this quarter, discussion for the establishment of the national SAKSS node have started with Mali and Senegal on the basis of the guidelines for the establishment of CAADP Country Team prepared by ReSAKSS-WA.

In **Mali**, the preliminary discussions concluded that the process of moving agricultural planning to sectoral approach should include the establishment of the SAKSS country node. This process has started since 2008 in Mali and is currently designing the planning framework for the agricultural sector towards the “Programme National d’Investissement dans le Secteur Agricole” (PNISA). Various groups have been created: one in charge of validating the documents; another, in charge of planning and follow-up of the targeted studies; and numerous specific technical committees in charge of the various components and sub components of the PNISA. A road map has been agreed upon, in particular, for the finalization of the drafting of the PNISA including the M&E aspects: identification of indicators, establishment of reference situation, etc.

In **Senegal**, consultations were conducted at different levels. First of all, the proposal of guidelines was shared and discussed intensively with the ministry in charge of agriculture, namely the permanent secretary and the planning and statistics unit of the same ministry. ReSAKSS-WA also organized a national consultation workshop with 31 stakeholders, including all signatories of the CAADP compact. Participants came from public organizations, private sector professional organizations and regional and international technical institutions. There was large consensus on the structure and its roles and functions. However, different options for the institutional location of the SAKSS unit emerged. While some participants suggested the ministry of agriculture, they did not agree on whether to put the SAKSS node under the permanent secretary of the ministry or DAPS, Directorate of Analysis, Forecasts and Statistics the unit in charge of planning and statistics; other argued that the fact that different ministries are implementing the NAIP should recommend that the CAADP country team, including the SAKSS should be hosted by a higher structure like the office of the Prime Minister which will have more authority and will be equidistant to all ministries implementing the NAIP. The consensus on this matter was to present all options to the higher authorities for final decision.

3. Capacity Building and Enhancement

ReSAKSS-WA has continued planning, with the ECOWAS Department in charge of Agriculture, Environment and Water Resources, the regional workshop aimed at validating the 2010 ECOWAS region ATOR and training the national partners for the production of their respective 2011 national ATORs following the CAADP M&E framework. The new dates have been set for July 4-8 in Lomé, Togo.

ReSAKSS-WA co-organized, with MSU/Promisam, the Syngenta Foundation and CILSS, a regional conference on the transmission of increasing world food prices on West African Markets on April 4 to 6 in Ouagadougou, Burkina Faso. The conference was attended by representatives of the Prime Minister’s office, Ministry of Commerce, Ministry of Agriculture of 10 West African and Sahelian Countries, National Market Information Systems of Agricultural Products (MIS), International Organizations (WFP, FAO) and Regional Professional Organizations (ROPPA, ROSEAO, RECAO). 57 people were in attendance.

Presentations were made and discussions held to draw recommendations from 5 sessions:

- The soaring world food market prices in 2007-2008 and national and regional responses to the crisis in West Africa

- Research results on the transmission of the world market price increases on domestic markets in West Africa
- Research results from the regional study on the dynamics of food consumption in 8 West African countries (implemented jointly by ReSAKSS-WA and MSU)
- The current increasing world food market prices: what do we know about it?
- Panel discussion on lessons learnt from the 2007/2008 crisis.

The outcomes of the conference can be summarized as follows:

- Good understanding of the causes of the soaring food crisis in 2007/2008
- Critical assessment of the responses by countries and regional organizations towards the selected recommendations:
 - Good collaboration between all actors at national level and between the countries at regional level to address such crises
 - Public measures should not be prejudicial to the good functioning of the market
 - Reliable data are necessary to prevent and manage such crises adequately
 - Sustainable food security should be targeted with regional cooperation, including common external tariff and free trade of agricultural products in the region; and
 - adequate long term investments in the agricultural sector

ReSAKSS-WA also attended the joint technical review of the draft ECOWAP/CAADP Strategic and Operational Plan (SOP) for the ECOWAS Directorate of Agriculture and Rural Development. The objective of the review was: (i) evaluate the content of the Strategic and Operational Plan (SOP) proposal; (ii) assess ECOWAS Commission's technical, administrative and fiduciary capacities to implement the SOP; and (iii) provide a formal recommendation to the CAADP MDTF Partnership Committee on possible financing under the MDTF. The SOP plays the role of ReSAKSS-WA in particular, in activities related to analysis, M&E and communication (website) at national and regional level.

ReSAKSS-WA presented a paper on *Agriculture funding in West Africa* in the First Annual Ministerial Dialogue for African Ministers of Agriculture, Science and Technology. The dialogue took place in Accra on 28–29 April and was organized by the Forum for Agricultural Research in Africa (FARA). In the dialogue communiqué, the ministers and other participants recommended that the achievement of the 10% target of national budget allocation to the agricultural sector be included as an indicator in the African Peer Review Mechanism. This would serve as a way of improving agriculture funding in Africa.

4. Knowledge Management and Communications

A virtual training of ReSAKSS-WA Coordinator on managing our content on the ReSAKSS website was implemented in early May 2011.

5. Occasional Analysis and Papers

The following papers/documents are being finalized for publication:

1. 2010 ATOR for ECOWAS Region (English and French): New versions were produced for the Lomé workshop, July 4-8. They will be finalized after the workshop with the comments of the participants.
2. Monitoring of the Millennium Development Goal 1- MDG1: We are still waiting for comments from the reviewers
3. Synthesis of the national Reports on Food Consumption Dynamics in 7 West African Countries: a draft version is being reviewed by our partners.

Also in the context of the study on Agricultural Growth in West Africa: Market and Policy Drivers, conducted by the Food and Agriculture Organization (FAO), in collaboration with the African Development Bank (AfDB) and the Economic Commission for West African States (ECOWAS), ReSAKSS-WA is in advanced discussion with FAO for the implementation of the “Analysis of Evolving Consumption Patterns and Income Growth” component. This will consist of upgrading the synthesis to cover the following aspects:

1. Based on the multiple year, budget-consumption survey database assembled during the study for Burkina Faso, Côte d’Ivoire, Mali, Niger, Senegal and Togo, conduct an analysis of trends in West Africa over the last two decades on the following issues:
 - a. How have household consumption patterns changed?
 - b. How has distribution of income changed?
2. Conduct a thorough review and synthesis of relevant West African literature on:
 - a. Consumption patterns and consumer preferences
 - b. Income distribution and growth of the middle class
 - c. Recent trends in wholesale and retail marketing systems including supermarkets, convenience stores and traditional market structures and their impact on the agri-food system in West Africa, with particular emphasis on Ghana and Nigeria

Annex

Annex 1: ReSAKSS-ECA's Agricultural Productivity Conference Concept Note

Regional Data and Tools to Support Monitoring and Evaluation of

Agricultural Productivity in Africa:

A supplier and user consultation and learning workshop

26-27 September 2011

Nairobi, Kenya

A CONCEPT NOTE

The Regional Strategic Analysis and Knowledge Support System (ReSAKSS) is an Africa-wide network that provides analysis, data, and tools to promote evidence-based decision making, improve awareness of the role of agriculture for development in Africa, fill knowledge gaps, promote dialogue and facilitate the benchmarking and review processes associated with the Comprehensive Africa Agriculture Development Program (CAADP) of the New Partnership for Africa's Development of the African Union (AU/NEPAD) and other national, regional agricultural development initiatives in Africa. Harvest Choice generates knowledge products to help guide strategic choices on investments to improve the well-being of poor smallholder households in sub-Saharan Africa through more productive and profitable farming.

Both ReSAKSS and Harvest Choice have been developing user-focused databases, tools and analyses to support their objectives, and increasing opportunities for collaboration between and harmonization of these individual efforts are being recognized and acted upon. ReSAKSS and HarvestChoice are, for example, working as a single team in preparation of a flagship study for the ReSAKSS 2011 annual report that will focus on SSA productivity trends and prospects. The generation and dissemination of such products is highly geared to making major contributions to the knowledge base required for effective CAADP implementation across a range of priority setting and targeting, planning, monitoring and evaluation needs, as well as to other strategic agricultural and rural development policy and investment decisions within, or targeted to, the SSA region.

While these advances are being made some important questions and challenges remain. Chief amongst these are;

- What assurance do we have that the underlying data being used to support analyses are the most reliable that can practically be assembled?

- How can we best establish that the questions being addressed, e.g., the insights being generated and the indicators of productivity being tracked and projected, are those most relevant to the needs of the development practitioners to whom such products are targeted?
- How do we ensure that practitioners are aware of, understand, and can utilize the data, tools and analytical tools being developed and deployed?
- In the light of answers to the above questions, how best can suppliers such as ReSAKSS and HarvestChoice improve product design, generation, packaging and dissemination in order to improve their relevance, reliability and applicability by the practitioner community?

The ReSAKSS-HarvestChoice workshop is designed to address some of these issues in the context of Eastern and Central Africa (ECA). The workshop will bring together knowledge suppliers (ReSAKSS and HarvestChoice) with knowledge users (development practitioners from countries within the ECA region) to engage in an exploration and review of data and tools – primarily those developed by HarvestChoice but, if possible, also including materials used in and generated by the on-going ReSAKSS HarvestChoice SSA productivity study – to examine questions of reliability and relevance, as well as to familiarize practitioners with those products. The expectation is that this dialogue will provide valuable feedback to HarvestChoice/ReSAKSS on priorities for improving product relevance and reliability, as well as raise practitioner awareness and utilization of these products in helping to meet their data and analytical needs.

The range of data and tools to be introduced evaluated in this initial workshop will be finalized during a trip by Stella Massawe (ReSAKSS ECA) to Washington DC in August 2011 to work with the HarvestChoice team. The most likely candidate elements include the gridded crop distribution and productivity data products (SPAM), production system classification, yield gap assessments, spatial-explicit price estimates and, if available, outputs from the on-going SSA productivity study. During the course of Stella's DC visit materials will also be assembled to share with participants well in advance of the workshop (6-7 weeks lead time) to ensure they have the opportunity to familiarize themselves with and critically evaluate the specific knowledge products that will be the focus of the workshop. This will also allow participants to gather relevant materials as additional input to the workshop aimed at enhancing data quality, as well as to develop specific ideas about data, tool and analysis enhancements of most value to their work.

In summary, the principal objectives of the meeting are;

- 1) To create awareness of available agricultural productivity knowledge products and enhance their use in responding to policy and strategic planning questions in the ECA region;
- 2) To test applicability of such data and tools in addressing planning, monitoring and evaluation questions relevant for the ECA region and for individual countries;
- 3) To serve as a forum for tapping into and sharing regional expert knowledge, accessing better data, and building partnerships to enhance the validity and usability of ReSAKSS and HarvestChoice products (perhaps as an on-going community of practice).

- 4) Subject to availability, to review and validate data and analytical elements of the draft reports being generated for the 2011 ReSAKSS annual report (elements of which will be presented in the IFPRI Productivity Conference planned for Addis Ababa in early November 2011).

The workshop will be strategically designed so as to provide direct input into the productivity growth agenda of CAADP being supported by ReSAKSS Africawide and by HarvestChoice. The workshop will also provide opportunities to explore partnerships in the implementation of the CAADP M&E framework among various agricultural stakeholders in the region.

Timing and Venue

This workshop is planned to take place in ILRI in **Nairobi on the 27-29 September 2011.**

Participants

Participants to this workshop will be the national technical experts involved in agriculture data management, agricultural production and agricultural research. This will include technical staff from National Statistical Offices as well as other stakeholders knowledgeable about production statistics and related issues among the countries in the region including NGOs and private sector. Relevant regional and international organization will also be involved, including participation of representatives from the two other ReSAKSS sub-regional nodes.

Funding

Recognizing the mutual benefits arising from this workshop, the activity will be jointly funded. HarvestChoice will support Stella Massawe's costs for travel and stay for preparation work with the DC-based HarvestChoice IFPRI team, as well as the costs of all HarvestChoice staff inputs in both preparation for and conduct of the workshop. Up to 3 HarvestChoice staff might be involved in the workshop itself. ReSAKSS will cover its own staff costs and logistical costs of conducting the workshop, including the selection and support of participants as appropriate.

Annex 2: ReSAKSS-ECA's Agriculture and Monitoring Evaluation (M&E) Workshop Participants List, 14 July 2011, Dar es Salaam, Tanzania

Name and Position	Institution
Evodius Laurent Rulazi Agricultural Engineer	Regional Secretariat Morogoro
Donald Balishinga Ntikabuze District Agriculture and Livestock Development Officer (DALDO)	Kasulu District Council
Shenal Sebastian Nyoni	ASDP Coordinator Iringa Region Regional Secretariat
Petronia Lucas Bayona	Principal Agriculture Field Officer (PAFOI) Tarime District Council, Mara Region
Bernard B Abraham	Regional Agric Advisor Dodoma Regional Secretariat
Tapita Solomon Tuvata District Commissioner	Missenyi District Council
Donald Balishinga Ntikabuze	DALDO – Kasulu Kasulu District Council
Joseph Saitoti Parsambe Coordinator General	Tanzania Pastoralist Community Forum
Juma Salum Shamte Director of Development,	Katani Limited
George Jackson Mboje Programme officer – STS	Eastern Africa Grain Council (EAGC)
Peter Komba Peter Journalist	Mwananchi News Paper
Emma Isinika	FAO Tanzania
Betty August Mlingi National consultant	FAO Tanzania
Carolyn Ignatius Nombo Lecturer	Sokoine University of Agriculture
Zabron Alphaxad Kengera Assistant Lecturer	University of Dar es Salaam
Amon Zachariah Mattee	Associate Professor Sokoine University of Agriculture
Maria N Mullei Consultant USAID/IAGRI Project	Sokoine University of Agriculture
Shauri Timothy Monitoring And Evaluation Management Services	(TMEMS) – A USAID Contractor
Minoru Homma Senior Representative	JICA
Eeva Maria Maijala Associate Professional Officer IFAD	IFAD
James J. Phillips Senior Associate (USAID Bureau of Food Security)	USAID
Eric H Johnson Trade & Investment Advisor	USAID
Richard A Swanson	USAID

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Senior Monitoring and Evaluation Advisor TMB Feed the Future Project Manager for Tanzania	
David Nyange	USAID
Joyce Wilfred Urassa	Principal Statistician National Bureau of Statistics
Kabuje Furaha Lazeck Economist	Min of Livestock & Fisheries Development
Margaret Zacharia Ndaba	Min of Agric Food Security & Cooperatives,
Priscilla Joseph Nasua Computer Systems Analyst	Min of Agric Food Security & Cooperatives,
David Sangireni Mengo Principal Statistical Officer	Min of Agric Food Security & Cooperatives, Policy and Planning Dept
Obeth Martin Mwakalindile	Min of Agric Food Security & Cooperatives,
John Damas Maige Economist and Head of Monitoring and Evaluation	Min of Agric Food Security & Cooperatives
Kassim J. Msuya Economist	Min of Agric Food Security & Cooperatives Kilimo House
Didas Ladislaus Tabwene	Principal Economist Min of Agric Food Security & Cooperatives
Tumaini Samuel Maganga	Economist II Min of Agric Food Security & Cooperatives
Robert Mkirya Chacha	Senior Economist Min of Agric Food Security & Cooperatives
Elias Martin Masunga	Economist Min of Agric Food Security & Cooperatives
Anthony Peter Chamanga	Senior Economist Min of Agric Food Security & Cooperatives
Oswald Mugyabuso Ruboha	Principal Economist Min of Agric, Food Security & Cooperatives,
Loyce Lubonera	Economist II Min of Agric Food Security & Cooperatives,
Malemi Stephen Nyanda	Principal Economist Min of Agric Food Security & Cooperatives
Happy Pascal Kitingati	Economist II Min of Agric Food Security & Cooperatives,
Nganga Maduhu Nkonya	Statistician Min of Agric, Food Security And Co-Operatives
Oswald Mugyabuso Ruboha Principal Economist	Min of Agric, Food Security & Cooperatives,
Loyce Lubonera Economist II	Min of Agric Food Security & Cooperatives,
Deogratias Nshoro Lwezura Agricultural Economist	Min of Agric Food Security & Cooperatives,
Joseph Karugia Coordinator, ReSAKSS	ReSAKSS-ECA
Paul Guthiga Policy Analyst	ReSAKSS-ECA
Stella Massawe Monitoring and Evaluation Analyst	ReSAKSS-ECA

Lucille Kirori	ReSAKSS-ECA
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Annex 3: ReSAKSS-ECA's CAADP Policy Analysis Training Participants List

Name	Country/Institution
Francois Butoke	Burundi Chamber of Agriculture, Livestock and Fisheries
Emile Ntahondi	Burundi Ministry of Agriculture
Nahimana Ildephonse	Burundi Confederation of Associations of Agricultural Producers for
Blandine Nsombo	Mosombo DRC University of Kinshasa
Mulwa Gasuga Bienvenu	DRC Ministry of Environment
Bakelena Zeyimo Tony	DRC Institut National pour l'Etude et la Recherche Agronomique (INERA)
Asefa Aga	Ethiopia Cotton growers & ginner's association
Ginjo Giya	Ethiopia Uma Consult PLC
Kaleb Kelemu	Ethiopian Institute of Agricultural Research (EIAR)
Mwajuma Choggy	Tanzania Federation of Cooperatives
Kassim Jumanne	Msuya Tanzania MAFC
Nicodemus Massao	Tanzania MAFC
Abdallah Msabachi	Tanzania MAFC
Carolyn Nombo	Tanzania Sokoine University
Ndanyuzwe Jean Baptise	Rwanda National Cooperative Confederation
Bambara Sylvie Karumenyi	Rwanda AGROPHAR
Samuel Mugarura	Uganda SAKSS Node
Richard Kabuleta	Uganda MAAIF
Emmanuel Mukama	Uganda MAAIF
Jackson Otieno	Kenya Ministry of Planning
Mainza Mugoya	East African Farmers' Federation (EAFF)
Anastasia Kivuva	Kenya Ministry of Agriculture
Maurice Ombok	Kenya Maseno University
Immaculate Maina	Kenya KARI
Frida Maina	Kenya KARI
Innocent Maloba	Kenya Ministry of Planning

Annex 4: ReSAKSS-SA: 2010 ATOR Key Findings and Conclusions

2010 Annual Trends and Outlook Report (ATOR)

Key Findings and Conclusions

The Southern African Development Community (SADC) countries, along with other African countries, have recognised and prioritised the agriculture sector as key to overall economic growth, poverty reduction, and enhancing food security and have accordingly committed themselves to implement several regionally, continentally and internationally shared targets or goals. These include the Comprehensive African Agriculture Development Program (CAADP), the SADC Regional Indicative Strategic Development Plan (RISDP) and the Millennium Development Goals (MDGs). Under CAADP, put together by the African Union's New Economic Partnership for Africa's Development (AU/NEPAD) and signed by African states in 2003, African governments committed to achieving annual agricultural growth of at least 6 percent. In order to ensure that sufficient resources were made available for the CAADP implementation, countries signed the AU Maputo Declaration in 2003 in which they agreed to increase national budgetary resources to the agriculture sector to at least 10 percent of their respective national budgets by 2008. The principle behind CAADP is to use agriculture-led growth to achieve the first MDG of halving poverty and hunger by 2015, a goal that is also set by SADC RISDP.

This report provides an overview of national and regional performance against international, continental and regional targets. It presents recent trends in public spending in the agriculture sector, agricultural sector performance in terms of growth and trade, poverty and hunger. In addition, the report characterises the macro-economic and social environment that prevailed in the region to assess whether the environment was conducive to improved agricultural investments and performance. Furthermore, the report explores the possible future outlook of agriculture growth, poverty and hunger in the region.

Enabling environment

It is noted that the region is home to several dynamic economies, with countries such as Angola, DRC, Madagascar, Malawi, Mozambique, Namibia, Tanzania, and Zambia registering average GDP growth rates of above 5 percent between 2003 and 2009. This dynamism creates a favourable environment for investments, both agricultural and non-agricultural, in the region. In addition, the region has, on average, been experiencing a decline in debt to GDP ratios and an increase in revenue to GDP ratios. This suggests increased resources at the disposal of governments in the region which has positive implications for agricultural sector investments.

However, huge fluctuations are reported for inflation and GDP growth rates between 1995 and 2009 indicating relatively unstable macro-economic environments in both middle and low income countries. These trends imply that agricultural growth in the region would greatly benefit from a more stable macroeconomic environment given the inter-linkages between agricultural and non-agricultural sectors. A declining trend is found for total Official Development Assistance (ODA) per capita both at country and

regional level between 2003 and 2009. In general, ODA trends are shown to respond to the economic (mis)fortunes of donor countries or organisations.

Agriculture expenditures

A disappointing situation is revealed with respect to public expenditures in the agriculture sector. Between 2004 and 2007, eleven of the thirteen countries for which agriculture expenditure data was available (excludes Seychelles and South Africa) failed to meet the 10 percent Maputo declaration target in any of the years. Only Malawi, Mozambique and Zimbabwe managed to reach the 10 percent target for some years between 2004 and 2007. In 2004 only Zimbabwe with 11.3 percent of total public expenditure allocated to agriculture exceeded the target 10 percent of total public expenditures to agriculture. The share of agriculture expenditures in total expenditures, however, declined to 10 percent in 2005, further declining to 6.2 in 2006 and 6 percent in 2007. Malawi managed to reach the 10 percent target for the years 2005, 2006 and 2007. These increases could be capturing the increased subsidies the government had been giving farmers. Implemented from around 2005-06, the Agricultural Inputs Subsidy Program in Malawi, provides targeted poor rural households or small-holder farmers with coupons to buy fertilizer and seed at a rate far below the market price.

A special focus on Mozambique indicates that in terms of achieving the Maputo declaration target of allocating 10 percent of total national budget to agriculture, Mozambique was able to reach this target in 2003, 2004 and 2007. However, as a percentage of total expenditure, agriculture expenditures remained below 10 percent throughout the 2001-2009 period, ranging between 1.9 percent in 2001 to 8.9 percent in 2005 which illustrates the tendency for actual agriculture expenditure to deviate from budget allocated to the sector. In fact, an average of close to 78 percent of funds allocated to the agriculture sector was actually spent between 2001 and 2009. This implies that the approved budget to agriculture was not being fully absorbed. These shortfalls could be due to the inability of donors to honor their pledges, imperfect projections on government tax collections, underreporting of actual spending channeled through externally supported funds and low capacity to spend released funds.

The SADC region as a whole consistently failed to meet the Maputo declaration target between 2004 and 2007, averaging 3.6, 3.6, 3.7 and 3.3 percent in the years 2004, 2005, 2006 and 2007, respectively. Low income countries have higher shares of agriculture expenditures in total than middle income countries which could also be driven by the fact that agriculture is, on average, more important in terms of its contribution to GDP in low income than in middle income countries.

Agricultural growth performance

The contribution of agriculture to total GDP has been declining across all periods for the majority of SADC countries, both in the middle and low income groups and in the region as a whole. Overall, the gap between agriculture GDP (AgGDP) and GDP in the region has been widening in the last decades implying that other sectors such as industry and services are gaining increasing importance as sources of growth in the region while the potential for the agricultural sector to contribute to overall economic growth and subsequently to poverty and hunger reduction goes untapped. Also of policy relevance is the finding that the contribution of agriculture to total GDP declines with income: it is higher in low income

countries compared to the middle income group. This suggests that the agriculture sector is at the center of overall economic growth and poverty reduction in low income countries and that policies to foster agricultural growth should take into consideration the resource constraints which these countries might face.

Labor productivity is revealed to be higher than land productivity in all SADC countries with the exception of Malawi for which land and labor productivity seems to be tracking fairly close to each other. Middle income countries have a wide gap between labor and land productivity. This suggests that the need to increase labor productivity is greatest in low income countries. In general, the differences in land productivity across SADC countries could be capturing the diversity of the biophysical environment with respect to agro-ecology and climate in the region. The differences in labor productivity, on the other hand, reflect differences in human capital endowment and quality.

An analysis of cereal yields in the region indicates that majority of SADC countries have, on average been falling short on the SADC RISDP target of 2,000 kg/ha cereal yield. Madagascar, Mauritius and South Africa reached this target for some periods between 1995 and 2009. In fact, Mauritius persistently met this target across all periods. It is noted that the region lags behind other developing regions in terms of cereal yields. In fact, the gap between the SADC average cereal yields and that of the rest of the regions has been widening over time and that this gap widens even further when South Africa is excluded from the regional calculations. Of concern is the fact that cereal production is shown to have been failing to match population growth in the region over the last decades. This indicates a widening gap between production and demand for cereals. Low cereal yields particularly in low income countries could be partly attributed to relatively low inorganic fertilizer use. Use of fertilizer is particularly important given the growing unfavorable and unpredictable weather conditions that threaten agriculture production and food security.

Comparing the observed annual AgGDP percent growth to the 6 percent agricultural growth set as a target by CAADP shows dismal performance across the region. Although slightly increasing over time, the SADC annual percent growth in AgGDP remained below 6 percent across all periods: averaging 2 percent between 1990 and 1995, 3 percent in the 1995-03 and 2003 periods, and 4 percent between 2003 and 2009.

Focusing on the post-2003 year-to-year AgGDP growth rates suggest that Angola has been experiencing AgGDP growth rates of more than 6 percent in the post-2003 period except in 2008 where it had a growth rate of 1.8 percent. Considering the latest period, 2009, reveals that seven countries –Angola, Botswana, Lesotho, Malawi, Mauritius, Mozambique and Namibia– surpassed the CAADP target of 6 percent AgGDP growth. In fact, Mozambique has been consistently registering AgGDP growth rates of more than 6 percent since 2005. A regional perspective shows that SADC as a region experienced a 5.5 percent AgGDP growth rate in 2009 and that excluding South Africa raises the growth rate to 9.5 percent. The middle income group had a 6.6 percent growth in AgGDP while this was 4.3 percent for the low income group.

Agriculture trade performance

The annual average share of both agricultural exports and imports in total merchandise exports and imports, respectively, is consistently higher in the low income than in the middle income group. This reiterates the importance of agriculture in low income countries. Trends in net agricultural trade show that the majority of SADC countries are, on average, net importers of agricultural products. In fact, the agricultural trade gap for the region has been widening over time. Cereal trade indicates that SADC as a region has been a persistent net importer of cereals in the last decade. Trends in cereal trade are illustrative of how dependent exports and imports in the SADC region are on climatic conditions principally because the bulk of agricultural production is rain-fed. The sharp decline in total cereals exports and the increase in imports correspond to incidence of droughts in the region: for example the southern African region experienced droughts in 1983-84, 1986-87, and 1991-92, among other years. The variability in the net trade balance of total cereals is reflected in the trends in food aid (mainly cereals) to the SADC region. Food aid shipments to SADC rise with a fall in exports. This means food aid does bridge the gap between food supply and demand.

Trade in key livestock products (meat in this case), varies across years possibly reflecting inter-temporal variations in economic and climatic conditions. The recent trends reveal that the region on average is a net importer of livestock products. Of particular concern is the fact that this is likely to remain a problem in the foreseeable future if current conditions prevail. This calls for policy attention –in terms of prioritization and resource allocation– specifically to the livestock subsector in order to increase the exploitation of the potential of this subsector in the region.

Poverty and hunger trends

Trends in national poverty rates indicate that the region has been experiencing marginal decline in poverty since 1990. However, in terms of meeting the first MDG (MDG1) target of halving the 1990 poverty rates, none of the countries have, on average, managed to meet this target except for Mozambique. Trends in international poverty rates, on the other hand, present a slightly different country and regional level picture. They indicate that no country, among those for which poverty data was available, had managed to reach the MDG1 target except Swaziland with a rate of 42 percent in 2009 against a target of 46 percent. Lesotho is revealed to be close to reaching the target with an international poverty rate of 36 percent in 2009 while the MDG1 target is 30 percent. Overall, it is promising to note that the low income countries have, on average, been experiencing a downward trend in international poverty rates.

A declining trend in the prevalence of child malnutrition is observed between 1990 and 2009 in all countries with the exception of Lesotho, Madagascar, South Africa and Zimbabwe. The SADC region has been experiencing slightly declining average child malnutrition rates, from 26 percent in 1990 to 22 percent in 2009. In general, the depth of child malnourishment is lower among middle than low income countries. In terms of achieving the MDG1 target of halving 1990 hunger rates; this remains a challenge for nearly all countries. Only Angola managed to reduce child malnutrition rates to halve of those observed in 1990, from 45 percent in 1990 to 20 percent in 2009.

Adult undernourishment has been on the rise in the SADC region, increasing from 30 percent in 1990 to 38 percent in 2009. This is consistent with the dire hunger situation in the region which is revealed by the 2010 Global Hunger Index (GHI) which covers the period from 2003 to 2008. Half of the fourteen countries for which data was available can be said to have 'alarming' hunger problems based on the 2010 GHI. This is of particular concern for low income countries in the region that have, as a group, experienced an increase in GHI between 1990 and 2010.

Future outlook of agricultural GDP growth and meeting MDG1

Trend analysis (or projections) into 2015 based on trends observed between 2003 and 2008, demonstrates that while middle income countries as a group are on track to meeting the CAADP 6 percent annual AgGDP growth target, low income countries are not. Given the high proportion of people who are dependent on agriculture particularly in low income countries, this means these countries are likely to continue facing challenges associated with low agricultural productivity. This underscores the need to increase and sustain investments in agriculture sectors particularly in low income countries. Broadly speaking, agriculture and agriculture-led development should remain a national and regional policy priority particularly in low income countries in the future.

A consideration of the individual countries suggests that seven out of the fifteen SADC countries are on track to meeting the CAADP target, based on the trends observed in these countries between 2003 and 2009. This includes Angola, Botswana, Malawi, Mozambique, Namibia, Seychelles and Tanzania. Overall, the erratic AgGDP growth trends in most countries suggest a relatively unstable agriculture environment in the region. This instability could be due to the relatively high dependence of agricultural growth on rainfall and general weather patterns. This calls for increased investment on technologies such as irrigation and other water management technologies that could reduce this dependence and subsequently provide a more stable agriculture environment, smooth agricultural growth and ensure sustained food security in the region.

The future outlook with respect to poverty and hunger trends based on international poverty rates indicate that most SADC countries are clearly off-track to reaching the MDG1 target of halving 1990 poverty rates by 2015. However, Lesotho, Malawi, Mozambique and Swaziland have actual international poverty trend lines that are declining. In fact, Swaziland has reached and surpassed the MDG1 target to halve its 1990 poverty rate. Countries for which the actual trend line for child malnutrition prevalence is clearly declining are Angola, Malawi, Mozambique, Namibia, Tanzania and Zambia. Actually, Angola has reached and surpassed the target of halving its 1990 child malnutrition prevalence.

Actual or observed trend lines for both the international poverty rate and the prevalence of child malnutrition are clearly declining for Malawi and Mozambique. Although not a guarantee for being able to meet the MD1 target of halving both the 1990 poverty and hunger levels, this suggests that, based on past data, Malawi and Mozambique have higher chances of reaching the MDG1 target –in terms of both international poverty rates and hunger prevalence– than the rest of the SADC countries. Whether this actually happens will depend on how fast the future decline will be in poverty and child malnutrition in these countries.

Annex 5: ReSAKSS-SA: Mozambique Annual Trends and Outlook Report 2010 Key Findings and Conclusions

Mozambique 2010 Annual Trends and Outlook Report (ATOR)

Key Findings and Conclusions

Agricultural Planning and Institutional Development

1. Since independence, Government of Mozambique has consistently developed five-year development plans to direct public interventions and private investment to develop the economy. These center driven plans are operationalized through specific four-year inter-sectoral action plans and strategies. Given that the majority of Mozambican nationals are poor, action plans have maintained a focus on poverty reduction. In this planning process, sector policies and strategies have been developed on the basis of the inter-sectoral action plans. Agricultural sector policies and strategies have in turn been the building blocks for specific sub-sector strategies, programs and projects.
2. It is not clear whether these plans are premised on a common long-term vision of where the nation would like to be in future. It is also difficult to identify clear relationships across the vertical hierarchy of plans and horizontally over time. The evaluation has revealed that plans appear more like stand-alone documents. While the overall national development plans have been consistently produced every five years, the sector plans and strategies has been ad-hoc and have not followed a systematic and predictable time-frame. There is very little evidence to suggest that each new agriculture sector plan builds on the previous plan.
3. As for public and non-public agricultural institutions, their evolution has been unsteady. The structure of public agricultural institutions in particular has exhibited considerable levels of instability largely driven by changes in leadership. While it is clear that agriculture covers all the four subsector of fisheries, livestock, crops and forestry, the supportive institutions have been placed under a constantly changing organizational structure. Agricultural institutions are specialized in nature, and they should also be positioned in relevant directorates that can provide the necessary leadership for them to function effectively.
4. In this past decade, Government of Mozambique has been implementing decentralization of public administration. Though essential the experience has been filled with conflicting priorities. At present, conflicts have arisen in priority setting. Between national and local priorities, which ones will be supported by the public budget? The limited availability of competent staff at lower administrative levels has compromised service delivery. The provision of vaccination services is one service that has been affected by decentralization process. While there is local ownership and participation in governance, the process has severed linkages which agriculture sector relied on all along. The disruption in services is a serious challenge in implementing development interventions. Overall, the principle of decentralization has been well received but the implementation process has not been effectively managed to an extent where agricultural

services have suffered. Implementation needs to be gradual and technical capacity reinforced in order to avoid creating gaps in service.

Improvement in Macro-economic Environment

5. National output, inflation, interest and exchange rates are important variables to monitor improvement in macro-economic conditions. Mozambique is one of the poorest countries of the world. As such, a large chunk of its economy is informal. Despite this challenge, the overall economy has grown, thanks to the large inflows in foreign direct investments. During the last ten years, there is no noticeable shift in the structure of the economy. Agriculture's share of economic output did not change throughout this period. Agricultural output is still dominated by crop production. There is no significant diversification towards other subsectors such as livestock, forestry and fishery.
6. Overall, agriculture has not grown enough to spin large scale improvements in agro-processing. It is the rapid growth in value addition of agricultural raw materials that can drive the non-agricultural sectors to take up an increasing burden of generating jobs and livelihoods for the majority of Mozambican citizens. During the past decade, this burden has entirely been borne by the agricultural sector.
7. Given that average incomes are very low, the majority of the citizens spend a greater part of their budget on food. Rising food prices translate into rising headline inflation instantly. Spiraling inflation begets further increases in prices effectively undoing any gains in poverty reduction.
8. Although the price levels have improved in comparison with past decades, throughout the last ten years, the general price level has been unstable. Being an open economy, there is very little government of Mozambique can do to shield its economy from global shocks. External shocks in the form of high commodity prices are transmitted instantly into the economy. This is a serious problem for Mozambique. It appears this difficulty will persist into the future. Besides, the climatic changes have continued to negatively affect food production and further knocking inflation off balance.
9. The government of Mozambique has continued to manage the exchange rate under a floating regime. The Metical has depreciated for the greater part of the last decade. This has allowed Mozambique maintain the attractiveness of its exports but has hurt imports especially at a period when machinery was being imported for manufacture of aluminum and mining of coal, gas and heavy sands. A weaker Metical also pressurizes local prices of imported goods to rise even higher.
10. Standard interest rates are high by regional standards. Fortunately, lending rates have fallen significantly over the past ten years, even though they still remain above rates in key trading partners. This reduction has essentially reduced the cost of capital and augurs well for the desires to grow the economy. Deposit rates have also come down albeit at a slower pace than lending rates. Most notable has been the decline in the difference between the two.

11. Despite some improvements, Mozambique is still not a top destination for private investment. Mozambique still ranks poorly in terms of the doing business and competitiveness index. Unless serious efforts to further improve the business environment are made, welfare improvements will remain a pipe dream for the majority of its poor citizens.

Public Agricultural Spending

12. About 80 per cent of the public resources spent by the sector are generated from development partners. Agricultural sector is the only sector heavily supported by externally generated resources. While this is understandable given the donor philosophy to support disadvantaged population segments and economic sectors, this dominance puts the sector in shaky position.
13. In real terms, the absolute size of actual spending by the sector rose in the earlier half of the period but fell to the initial levels by the end of the second half. This happened at a time when public non-agricultural budget rose consistently throughout the period. The attention government had attached to agriculture following the signing of the CAADP declaration in 2003 disappeared a few years later. It is not clear how much of this reversal was influenced by non-availability of external resources.
14. In terms of the share of budget allocated to agriculture, the share reached the CAADP 10 per cent target three times but by 2008, the share for agriculture fell to pre-2000 levels. Allocations, however, do not translate to actual disbursements and eventually spending. Actual spending has averaged 70% of allocations. The major reason for this discrepancy was fractional disbursement of the approved budget by the treasury. Furthermore, the timing of releases matter. Sometimes, resources meant for spending throughout the year are only released towards the end of the financial year. Such timing makes absorption of the resources by the cost center difficult. The evidence generated in this report suggests that actual spending of resources generated internally by government was much closer to the approved spending than was the case for spending of externally generated resources.
15. Of the funds that are released, the sector has distributed the resources in a balanced fashion as far as payment of staff salaries versus payment for operations is concerned. For every Metical the sector spent on staff salaries and benefits, slightly more than one Metical was available for the staff to spend on actual operations and service provision. This is a healthy balance. However, comparing the balance between short-term versus long-term spending, the situation is not so healthy. Public spending has over the last year been skewed towards short term spending. Capital investments attracted less priority than recurrent spending. It is long-term investments rather than recurrent spending which guarantees the future of the sector.
16. In terms of resource allocation between center and province, the sector has successfully provided equal attention. Throughout much of the period, half of the total resources were spent on central services and the other half was spent by provinces. This is an important result for PROAGRI. The provinces are not completely responsible for the provision of all public services stakeholders require. While this is the case, the local administration should not just implement

programs planned at central level. Provinces need to spend resources on locally driven plans and priorities.

Price, Marketing and Trade Policies

17. Mozambique has not benefitted much from the globalization of economic relations. Trade policy framework has roots from the colonial relationship Mozambique had with Portugal. Before independence, Mozambique like all colonies produced raw materials to supply manufacturing industries in Europe. With globalization, new markets have opened up for Mozambican products. Deregulation, privatization and trade liberalization under structural adjustment programs is beginning to pay-off in the form of increased exports. However, Mozambique continues to struggle to export processed agro-products.
18. Before independence, agribusiness was generally organized around regional monopolies. Government controlled and fixed both producer and consumer prices. The independence government continued with price fixing at all levels up to 1988. During the period leading up to the mid90s, government reformed price policy to a limited degree. Instead of fixed priced at all levels, minimum producer prices were introduced for maize, beans, groundnuts, cashew, cotton but consumer prices remained fixed. Government continued to administer fixed prices for rice, sugar and tobacco. Interestingly, at this early period, cassava and tea had prices liberalized at all levels.
19. With structural adjustment, government freed up trade and deregulated prices for additional agricultural prices. All agricultural commodities except cotton had the price system deregulated. Price deregulation encouraged entry of private sector in domestic and international trading. Cotton is the only commodity whose producer price continues to be regulated. Minimum cotton prices are still being set by government. This liberalized price policy has persisted for all other agricultural commodities to-date.
20. The current and the past independence regimes have continued with the colonial policy of regional monopolies, albeit for fewer crops. Cotton, tea and tobacco are produced and marketed under a closed geographical concession system. With regional monopsonistic marketing structures, prices have not been liberalized. Tobacco concessionaries, for example control pricing and grading effectively administering fixed prices. For the rest of the crops, marketing has been liberalized. Private traders have entered agricultural markets and restrictions on product movements across districts within and across provinces no longer exist.
21. The agricultural sector has been protected from imports through a system of import tariffs and import VAT. Agricultural commodities have been subjected to 20 per cent tariff since 2006 except those considered as inputs or basic food stuffs. Maize and rice imports attract a lower tariff of 2.5%. Sugar normally attracts a tariff of 7.5% but an additional surcharge of 60-80%. When international sugar prices are high as was the case in 2010, the surcharge is 0%. Mozambique sugar competes with sugar from Swaziland and South Africa. When world sugar

prices fall, this surcharge will be brought back to protect the local industry from imports from neighboring Swaziland and South Africa.

22. To encourage local value addition, government initially banned export of raw cashew nuts in 1991. This policy was changed in favor of an export tax which was set at 30 per cent of f.o.b but later reduce to 14 per cent. Cashew export tax is still in place. The operations of National Institute of Cashew (INCAJU) are financed through export taxes. Similarly, cotton exports attract 2-3% export tax. The tax revenues finance operations of the Cotton Institute of Mozambique (IAM). Additional trade policy reforms are required to eliminate unnecessary regulatory burdens for exporters.
23. International, regional and bilateral trade agreements have made tariff less relevant. However, the next line of defense will be through technical barriers, SPS regulations and other non-tariff barriers. Currently Mozambique has rudimentary system of standardization, quality assurance and accreditation for most export commodities. Mozambique's ability to compete in regional and world trade will depend on how quickly this capacity can be developed.
24. Until recently producer subsidies have not been used as an instrument of intervention. Production support for maize and rice took up a sizeable 13% of investment funding. The level of spending for subsidies accelerated rapidly. Despite this increase, it is not clear whether government will continue to finance production support. While subsidies could stimulate input adoption by smallholder farmers, the experience in the region shows that subsidies are difficult to target and unless carefully planned crowd-out commercial input distribution. Other commodities such as cassava, groundnuts and beans hardly receive government support apart from import duties and VAT.
25. Cotton, sugar and cashew are the commodities that appear to receive significant government intervention. Apart from import tariff and VAT protection, the sugar industry has investment incentives such as duty and VAT exemptions on imported capital goods. Other export industries such as cashew, fish and cotton do not appear to have similar incentives. Industry specific trade policy regimes created distortions and biases. Instead, adoption of uniform tariff structure across all export industries would reduce any existing biases and allow Mozambique to exploit its competitive advantages.

Improving Agricultural Productivity

26. The methods used to measure agricultural output matters greatly. Forest, fish and livestock resources are in reserve form. Measuring livestock, forestry and fisheries output only in terms of off-take or harvests under-represent the annual value of the stock. Current methods need improvements in order to discern the true value of the stock. Furthermore, the presence of alternative data collection systems measuring agricultural output presence a serious challenge. TIA and EWS surveys produce estimates that are not consistent. There is need to harmonize concepts, definitions and data collection methods to narrow the divergence in estimates. Over the last ten years, TIA surveys were conducted for only five seasons. EWS data could

complement TIA data to produce a complete time series. This can only be done if data collection methods are harmonized. Any variation in methods could distort the result and give a misleading conclusion. Additionally, national survey estimates of geographically concentrated production such as rice or cotton differ greatly with estimates from industry players. In this report, data for cashew, cotton, sugar, tea, tobacco, coconut, timber and fisheries is generated by the industry stakeholders.

27. Agricultural output is dominated by crop production, followed by fishing, livestock and forestry, in that order. The trends for food crop output are stagnant but output for export crops is rising. Maize, cassava and beans are the main food crops. These crops took up three quarters of area planted. In terms of economic importance, roots and tubers were most important, followed by export crops, then cereals and legumes, in that order. During the period under review, area planted to all crops increased except sorghum. But output increased at a slower pace for maize and beans. For the rest of the food crops, output actually declined. For food crops, area expansion was not enough to avert a decrease in output. For export crops, output has grown across the board during the 2000-2004 period. Most recently, output for sugarcane, cotton and coconut has declined.
28. In fishing, crustaceans now lag behind sea fish in terms of economic importance. Harvest of prawns has declined at a time when sea fish harvests have increased. In-land fishing of kapenta continues to be of minor importance relative to other fish sub-sectors. The fishery resource is potentially in need of improved management methods to sustain production. As for livestock, the population of cattle has grown consistently throughout the period under review. During the same period, the herd size of small ruminants, chickens and pigs declined. Livestock restocking programs only benefitted cattle herders. Restocking of small ruminants did not attract the same strength as that seen in cattle restocking. In terms of meat supply to formal outlets, beef and poultry provide more than 80% of the supply. Pork and meat from small ruminants play a minor role. Forestry output also trended upwards. Both volumes of licensed harvest and actual harvest rose throughout the period. Despite the positive trend for forestry, its impact on overall agricultural output was marginal because of its relatively low economic importance.
29. Crop productivity has remained low and even regressed for crops such as groundnuts. Current yields are a very small fraction of what can be achieved with improved management. This state of affairs continues to prevail because of the low uptake of modern technologies. Smallholder farmers have limited financial incentives to adopt these technologies and produce a surplus. Output markets are poorly developed and farmers cannot get an attractive return from using purchased inputs. As long as value chains, especially for food crops, remain underdeveloped, farmers will continue to use rudimentary production practices. Low technology adoption explains why output has stagnated. During the period under review, area expansion was a more attractive approach to maintain output levels.

Agricultural Trade

30. The value of agricultural export has trended upwards in value terms. However, the economic importance of agricultural trade has declined. Non-agricultural trade has grown in economic importance. Throughout much of this period, agricultural exports have led agricultural imports. Agricultural imports exceeded exports during the period of the financial crisis. This was also the case with non-agricultural trade. The financial crisis period was characterized by growing imports and declining exports. The financial crisis exacerbated the trade deficit that was observed throughout this period.
31. Agricultural exports have for a long time been dominated by prawns. The situation has changed radically. Over the last two years, export value for sugar has surpassed value of prawns. Export of timber and cotton could even exceed export of prawns in the future. It is not clear whether this pattern is a reflection of market demand or supply.
32. In terms of agricultural imports, rice and wheat dominate. Cereals take up more than 50% of the agricultural import bill. Interestingly, maize, fish and sugar are exported and imported at the same time. This mixed trade status for these commodities is purely driven by commercial reasons.

Poverty and hunger outcomes

33. Two indicators of MDG1 namely (poverty and hunger) are considered here. Overall Mozambique experienced a tremendous decline in poverty rates indicating a higher probability of meeting the target of halving poverty to reach 45 percent by 2015. Child malnutrition prevalence as an indicator of hunger also showed a declining trend and signalling the fact that Mozambique stands a higher chance of meeting the target of halving the 1990 child malnutrition rates of 30.5 percent to 15.3 percent by 2015. However, the attainment of these MDG1 targets can be derailed by greater vulnerability of the smallholder farmers to adverse climatic conditions such as floods and droughts. In this regard, the government should take measures to provide social protection to the affected households.