

Back to office report, COMESA-CAADP Partners Meeting and Rwanda CAADP Roundtable

Rwanda, Kigali, March 28-31

Participants: ca. 200

Rwanda: Minister of Agriculture, Minister of Finance and Economic Planning, State Secretary MoA (and others)

HQ Representatives: USAID, WB, Germany, Donorplatform, IFPRI

Local and regional donors: SIDA, DFID, WB, USAID, JICA, EC, Belgium, FAO, IFAD

African partners: AU Commission (Rosebud Kurwijila, Brave Ndisale), NEPAD Secretariat, COMESA (Secretary General, Agricultural Advisor, CAADP Focal Points COMESA member States, including Uganda Minister of Agriculture)

International: MSU, WWF, African Organic Fibre Initiative, Food and Nutrition Initiative SA

Day 1: Progress of CAADP implementation at the regional level and progress of roundtable preparations in COMESA countries.

Opening speeches held by: COMESA *Assistant Secretary General* Ngwenya, African Union *Commissioner for Rural Economy and Agriculture* Rosebud Kurwijila and *Minister of Agriculture* Rwanda Anastase Murekezi.

COMESA Assistant Secretary General and the AU Commissioner both reported in their opening speech on the COMESA Minister of Agriculture meeting, held March 22 and 23 in Khartoum. The meeting highlighted again the necessity for the development and financing of Bankable Investment projects (BIPs). Ms Kurwijila added in her speech that although there might have been misunderstandings between National Medium Term Investments Plans (NMTIP), BIP would not stand in contrast to the Country Roundtable process (CRT). She strongly emphasized that these are not mutually exclusive and lauded the inclusive approach Rwanda has taken in the CRT. Richard Mkandawire (NEPAD Secretariat) added after the speech that advocacy and outreach of the CAADP process must be taken forward by the AU.

COMESA progress

COMESA Senior Agricultural Advisor Cris Muyunda presented the progress of CAADP implementation in the COMESA Region.

Framework development: The COMESA progress report distributed during the meeting outlined that substantial work had been completed with member states and stakeholders to develop the concept papers for the four main pillars of CAADP and to identify the main umbrella programs to be implemented in the region. 13 strategic areas were identified in the four CAADP pillars, which were meant to be further developed in the working groups in the afternoon. Several short presentations were held by the main partners to each pillar. On Pillar 1: WWF; pillar 2: Organic Food sector USA; pillar 3: Michigan State University; pillar 4: FARA.

Early actions: COMESA and members states are taking about 20 early action programs forward, which are partially funded until now (Total project volume: \$1.5 billion; resources needed: \$200 Mio). It put strong emphasis on partnership arrangements with international organizations. These early actions are expected to be scaled up in the finalized COMESA regional compact to be finalized by September 2007.

Progress in COMESA Member States: The next countries to prepare the CRTs are Kenya, Malawi, Zambia, Uganda and Zaire. All have had the initial kick-off meetings and are preparing to present their national compacts in June 2007.

Assessment:

The importance of the CAADP process at high political level in Africa was underlined through the presence of the representatives of the AU and COMESA during the three day event.

The progress on the CAADP implementation in the COMESA region is clearly debatable. As the opening speeches of the AU Commissioner and COMESA Secretary General indicate, exists clear political will to implement early action programs, which shall lead into long-term development programs. However, the implementation of this approach seems uncoordinated and without vision: the COMESA progress report states that *“the early action programs herein reflect project proposals that have been recently funded or are likely to be funded in the very ear future, that are consistent with the strategic approach of CAADP implementation in COMESA. These actions do not constitute and are not intended to constitute, a comprehensive approach to realizing CAADP’s strategy”*. The presentations by the identified partners for the pillars underline this lack of strategy – at least the presentations for pillar II and III were unrelated to previously ongoing initiatives and unknown. It became evident that the lack of a development of pillar frameworks as a benchmark on regional or continental level is a clear obstacle to the process. The aim to resolve the issue in working groups on the first day clearly did not add value to the process.

Day 2: Presentation Rwanda Round Table

Day 2 started with the presentation of the analytical findings of IFPRI, aiming to take stock of the current situation, outlining strategic options and sources for agricultural growth, indicating long term funding for agricultural growth and a strategic outline for knowledge, review and dialogue mechanisms.

Background to the agricultural sector in Rwanda:

i) Strategic documents:

The Government of Rwanda’s agricultural sector targets are outlined in four key strategic documents: Vision 2020, the Economic Development and Poverty Reduction Strategy (EDPRS – former PRSP), the National Agricultural Policy (NAP) and the Strategic Plan for agricultural Transformation (PSTA). The vision 2020 outlines agricultural development remaining as “major engine of growth”, with a projected growth rate of 7.5%, where increased fertilizer use was expected to play a critical role in achieving accelerated growth. The PSTA, which was adopted in 2005 to provide a comprehensive framework for the operationalisation of the NAP consists of four priority programs: i) Intensification and development of sustainable production systems; ii) professionalisation of producers; iii) promotion of commodity chains and Agribusiness; iv) Institutional development.

ii) Outcome review of ongoing agricultural development efforts

The analytical findings clearly presented that Rwanda heavily depends on agriculture as main source of income. Traditional exports – coffee, tea, hides and skins represent 71% of the country’s export revenues. Agricultural growth rates since 1994 have been robust with an

average of 6% but which is expected to settle around 4% annually. The resources allocated to the agricultural sector in the past five years have been far lower than what is required to achieve the PRSP and Vision 2020 objectives and do not meet the Maputo goal of allocating at least 10% of the total government budget to the agricultural sector. The percentage of funds allocated to the agricultural sector fell from 8% (2002) to 3% (2006).

iii) Long term funding for agricultural growth

Rwanda would meet the CAADP target of an overall sector growth rate of 6% by 2015 under current government strategies. However, it further outlines that growth rates required to cut poverty by 50% to achieve the MDGs would imply an agricultural sector growth of 9% and non-agricultural sector growth of 7%. Meeting the MDG target would require a 30% higher agricultural growth rate than projected under the PSTA. The performed analysis indicate that successful financing of the PSTA to meet its growth and poverty reduction targets by 2015 will require raising the share of agricultural spending from a current average of 4% to between 7-18% (depending on value of growth elasticity). In total figures this would mean that the amount of agricultural sector spending required to achieve the PSTA targets will need to increase from 8 billion Rwandan Franc (FRw) in constant terms in 2006 to 30 billion FRw in 2015. Achieving MDG 1 would require annual spending to increase to 52 billion FRw by 2015. Internal resources would have to grow from 3 billion FRw to 10 billion FRw in 2015 and 22 billion by 2020. External funding required from development partners will increase from 5.4 billion FRw to 19 billion in 2015 and 42 billion in 2020.

Assessment:

The density of the econometric data presented was clearly too much to structure dialogue and discussion as the information was only available on that same day. While it is clear that the CAADP demands a 6% growth and 10% budget allocation to agriculture, it remained unclear how government and partners aimed to handle the increase. In this sense, it clearly lacked an assessment of ongoing programs and initiatives which could be aligned behind the data. The corresponding query from USAID *"How and with whom has the need for real changes in policy and performance been discussed?"* remained unanswered.

It also needs to be highlighted that the CAADP 4 pillar framework was not represented in the formulation of national programs and strategies, leaving it unclear whether the CAADP framework as such adds value to the process. In summary, the analytical assessment clearly adds value to the process of consensus finding on what needs to be done at national political level to tackle poverty rates, but whether the data presented answers the question on how this can be aligned to support a comprehensive rural development component under the EDPRS will only be clear after further consolidation leading to a sector SWAP.

Day 3: Rwanda Compact presentation:

The compact aimed to gather a commitment by the government, RECs, the AU and development partners to the goals of the EDPRS, defining a coherent long term framework to guide the planning and implementation of current and future agricultural programs. It sets the parameters for long term partnerships and clarifies expectations with respect to the agribusiness and farming communities in order to ensure successful implementation of the EDPRS Agenda. The Compact was clearly the culmination of the event and has a strong symbolic importance.

It was furthermore agreed that support to the government program shall be established through the rural cluster (local donor coordination unit) and aligned through the establishment of a SWAP in ARD in Rwanda. The Compact is important to the extent that it

makes a strong statement of principle, that as stakeholders in Rwanda's Agricultural Development have collectively agreed to partner around CAADP Implementation in the country.

After a two hour consolidation process, the Compact was signed by the Minister of Agriculture, the Minister of Finance, the AU Commissioner on Rural Development, representative of the private and the civil sector and by a representative of the development partners.

Assessment:

What needs to be highlighted is the strong government leader-and ownership, particularly in Agriculture. Through the establishment of the Rwanda Aid policy in 2005 and the Development Partners Database, a lot of analytical work had been put into the work, adding considerably added value to the process. It must be emphasised that it is important that this framework goes beyond national boundaries and that the next countries to perform the CRT will adopt a similar framework to guide an analytical process to accompany national policy formulation.

The Donorplatform gave a short statement, indicating the importance of the event and elevating their experience on a global level and showing the synergies to similarly ongoing programs in the world. Rwanda is a show case not just for the CAADP implementation, but also for the development of rural SWAPs based on sound analytical work. It is indispensable in order to implement a successful framework in the next COMESA countries, that lessons learned out of this process in Rwanda must be drawn. While several partners are taking this initiative forward, the Platform has offered to play a facilitating role to ensure that the most important stakeholders are on board and ensures that no one duplicate efforts. The Platform will furthermore further inquire about the possibility to facilitate a donor mapping for next country roundtables (possibly with SAKKS) and complementing ongoing activities by development partners.