

CAADP and Country Systems

The CAADP country process was launched based on the Maputo Declaration on Agriculture and Food Security of 2003. One of the Declaration most prominent features was the commitment to allocate at least 10 percent of the national public budget to agriculture. This increased public investment was to create a favorable climate for private investment, thus leading to increased agriculture growth, towards the Maputo target of 6% per annum.

The recent 2014 Malabo Declaration builds on the first 10 years of CAADP implementation. On investments, it upholds the 10% goal of public expenditure on agriculture, but it stresses the importance of the effectiveness of that investment. In fact, the Malabo Declaration has a more articulated and more ambitious set of goals and targets than Maputo had; even though these Maputo targets have only been partially met. Recognising this challenge, the Malabo Declaration renewed its attention to effective implementation at country level.

But what makes the implementation at country level effective? Why have some countries forged ahead and have others lagged behind? Why is it that some National Agricultural Investment Plans led to increased growth, while other NAIPs never got passed their ‘paper-stage’ and were shelved before implementation could even begin? What are the ingredients of success: A good quality plan? Leaders who have had the stamina and the ‘staying power’ to see a plan through? A constituency demanding for plans to be put into practice? And what have been reasons for failure: Lack of funds? The difficulties of coordinating cross-sector programmes? Poor cooperation with the private sector?

Any analysis of what worked and what didn’t, has to be based on an understanding of what happens at country level. **One explanation for the slow implementation of National Agricultural Investment Plans (NAIPs) is that they may not have been firmly anchored in the country’s planning and budgeting cycles. When NAIPs are not part of core government processes, then this is likely to have a ripple out effect: public funding is either not there or not sustainable; domestic ownership is limited and accountability is impaired.**

To understand how the CAADP process has interacted with domestic country processes, NPCA has called for an assessment. This Discussion Note is the first step of that assessment.

By describing several different country cases, it hopes to motivate agriculture stakeholders to contribute their experiences: Where they work in the countries described, they can correct or complete the story. Else, they may contribute experiences from elsewhere.

The information so gathered then provides the basis for an in-depth follow-up analysis, through country visits. The group of countries to be visited should include Anglophone and Francophone countries; and represent CAADP ‘old hands’ as well as CAADP ‘novices’.

From these country cases we hope to learn:

- **What are different formats and scenarios for NAIPs?** From planning frameworks to detailed programmes; from stand-alone to integrated programmes?
- **Which NAIPs have been most successful?** Based on the above we can identify some key success factors or prerequisites for successful NAIP implementation.

Malabo: Back to the comfort zone of the design phase?

One of the challenges that Malabo took into account is the fact that effective agriculture investment often depends on sectors outside agriculture. This is why the scope of Malabo is sometimes referred to as 'agriculture and beyond'.

The Malabo process wants to leave less to chance (as was the case after Maputo) and so several instruments were developed to assure the declaration's implementation: The CAADP Results Framework, the Implementation Strategy, the Roadmap and the Programme of Work. As a further incentive to putting things into practice, there is to be a biennial review, meaning that Heads of State agreed to have progress reviewed every two years.

It is often emphasised that "the thrust of CAADP implementation is at country level" with the NAIP as the main vehicle linking potential to investment to produce growth.

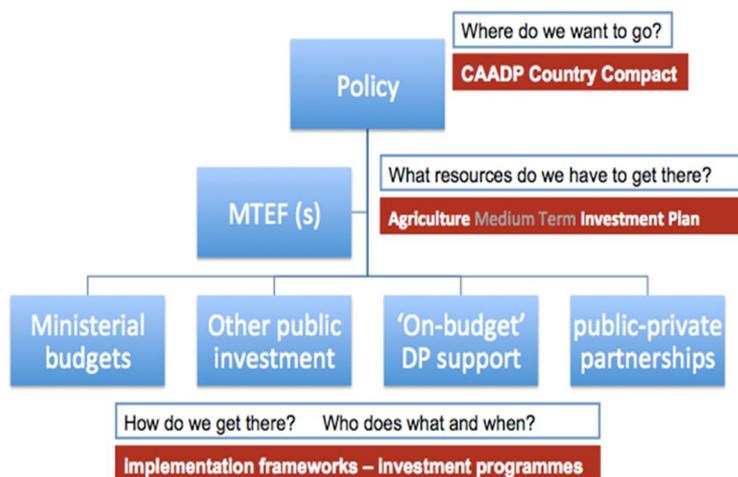
In the wake of the Malabo Declaration, a consensus is growing that existing NAIPs should be reviewed and realigned to the broader Malabo targets. But should countries really be asked to adjust a plan they are still struggling to implement? Would NAIP realignment bring the hoped-for impact? Or would it further complicate delivery? In fact, is the NAIP the best vehicle for translating Malabo, or is it a country's National Development Plan, which is multi-sector by definition?

Realigning plans brings us back to the hopeful design stage; it lifts the process up and out from the messy day-to-day implementation and lets us hide behind the drawing board. **Often much effort is spent in designing new plans, but not enough effort is made trying to understand why existing plans delivered or not.**

Country Systems

The 10-years of CAADP saw many milestones being reached beginning with the Country Compact, followed by National Agricultural Investment Plans, Technical Reviews and culminating in Business Meetings at which resources were pledged towards the NAIP.

This pathway means that the CAADP process is very 'milestone-driven'. This is not a bad thing, as milestones can be powerful incentives. But milestones are only 'means to an end': Even the much-coveted Business Meeting is just a meeting unless pledges are honoured.



We can link CAADP to country systems: The CAADP Country Compact spells out the direction of intent: Where do we want to go? It can be placed at the policy level. But, whereas a policy is legally binding, the CAADP Compact is not (it has at times been described, as a gentlemen's agreement).

The NAIP tends to have a strategic medium term horizon (3 to 5 years). That makes it an investment plan at the level of the medium term expenditure plan (MTEF).

Below the plan are implementation frameworks or programmes. An MTEF is translated mostly into annual ministerial budgets; a NAIP usually has several investment components.

How CAADP and country processes are linked can be assessed at all levels:

- What is the role of parliament in endorsing Compacts or Plans?
- Is there a link between Agriculture MTEFs and the NAIP?
- Is public investment guided by the NAIP?
- Are Public-Private Partnerships guided by the NAIP?

There appears to be a wide variation in the extent to which CAADP is integrated in country systems, from an isolated 'paper-plan' to a fully mainstreamed planning frame.

NAIPs and SWAPs

But before we turn to the different 'NAIP Scenarios', one common source of confusion at country level is discussed: The difference between NAIPs and Agricultural SWAPs, (or Sector Wide Approaches). It is often said that the NAIP *is* an Agricultural SWAP because it is about the agriculture sector as a whole. Nevertheless, there are differences:

The SWAP was an answer to weak domestic public finance (partially caused by uncoordinated donor projects financing the sector). Thus, the SWAP is about *public* finance rather than private investment. This public money can be from government or from donors (in fact, SWAPs famously were about aligning the two) and it is spent for recurrent and investment (capital) costs.

The focus of the NAIP is not so much the source of funds, as this can be both public and private, but the type of expenditure, which is *investment* rather than recurrent. In other words, a NAIP may be about capital programmes in infrastructure and irrigation, not about salaries of government staff. In short:

	SWAP	NAIP
Purpose	Increased Agriculture Growth	
Since	Mid 1990s	2005 onwards
Original reason	Ineffective aid + collapse of country PFM systems	Slow and uneven agricultural growth
Current aim	Strengthened sector systems	Upscaled agriculture success
New approach to:	Sector management	Agricultural investment
Emphasizes:	Government ownership; policy dialogue	Country ownership; inclusiveness
Focus is on:	Public expenditure (government & donors); recurrent & investment	Private and public Investment (domestic & foreign)

The 10% of public expenditure to agriculture advocated by the Maputo Declaration concerns *public* expenditure and as such can be part of an MTEF. In agriculture, where growth depends on private investment, the *quality* of public finance tends to be more important than its quantity. Badly spent governments funds can crowd-out the private sector.

That quality matters more than quantity was realised also from Maputo to Malabo: Where Maputo pushes the 10% target; Malabo also looks at whether that money is well spent.

Different NAIP Scenarios

How best to distinguish between different NAIP scenarios is an issue still to be investigated, but two variables seem to matter:

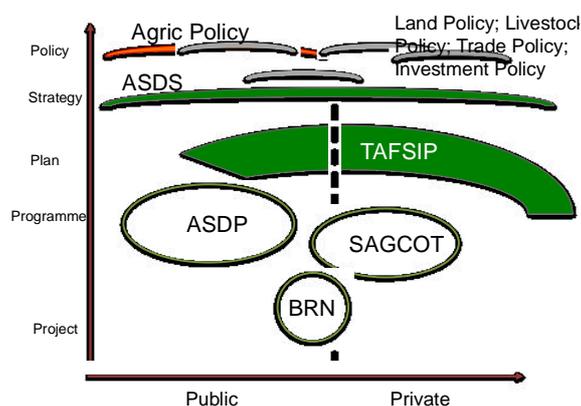
1. **The 'level' of the NAIP:** Is it a plan or a programme (implementation framework)?
2. **The integration of the NAIP:** Is it a stand-alone plan, or is it mainstreamed in government's planning and budgeting process?

The scenarios discussed below are based on the countries visited so far. These are:

- NAIP as a planning framework: Tanzania
- NAIP as a (largely) 'stand-alone' programme: Ghana
- NAIP as an integrated (mainstreamed) programme: Malawi

NAIP as a planning framework – The case of Tanzania

Tanzania's agricultural sector is characterised by a plethora of development frameworks: The Agriculture Sector Development Strategy (ASDS, 2001) is the guiding framework for all interventions. Kilimo Kwanza (2009: KK or 'Agriculture First') is a private sector driven initiative to highlight priorities as seen by business and government. Tanzania's NAIP is called the Tanzania Agriculture, Food and Security Investment Plan (2011: TAFSIP). It is a ten-year plan, which prioritises (public & private) investment around key result areas in pursuit of achieving a 6% annual growth in agriculture GDP.



There are a number of implementation programmes under these planning frames: The Agriculture Sector Development Programme (2006-13), which is a SWAP; SAGCOT or Southern Agricultural Growth Corridor of Tanzania (Grow Africa, WB); Fast track initiatives under the Big Results Now (BRN) - Bill & Melinda Gates; USAID's Feed the Future (FtF) and a range of other (DP/NGO) interventions.

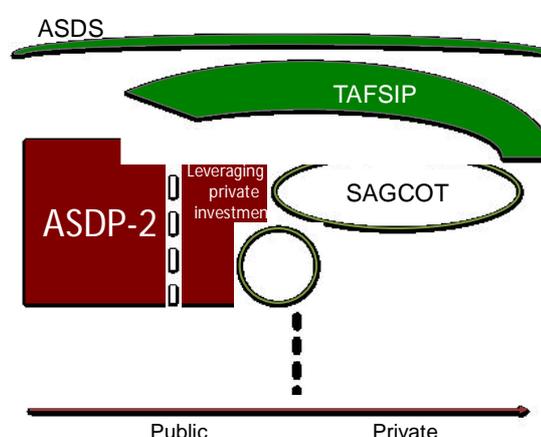
All fall under sector-relevant policies. Key amongst these is the Agriculture Policy; followed by policies in Land, Livestock, Water, Roads, Trade, Investment and Public-Private-Partnerships.

In 2013, as the (basket-funded) ASDS went for a second phase, it was decided to calibrate all these frameworks along two axes: From policy to implantation (y-axis) and from the public mandate to private roles (x-axis) - see above. Part of the ASDP-2 would be about leveraging in private investment, but it still concerned *public* money.

The TAFSIP (or NAIP) had identified areas of potential for public and private *investment*. Thus, it was decided to take the TAFSIP as a vantage point and from there work out what type of public service (and spending) would be needed to support the TAFSIP results areas:

TAFSIP Results Area	The public sector role and mandate
Sustainable Water Resources, Land Use Management	Map irrigation potential by district; Undertake feasibility studies for irrigation; Enforce catchment protection laws and regulation, improve basin water management; Map agriculture & pasture by district/zone;
Agricultural Productivity and Commercialization	Map high potential areas for value chains; Undertake soil analysis and create awareness on fertilizer type; Ensure availability of improved seed/breed varieties; Create favourable environment for private sector supply of machinery/mechanical implements;
Rural Infrastructure, Market Access and Trade	Map required feeder roads by district; Create incentives for private sector and local communities to establish warehouses; Assure product standardization & certification; Inform on regulations for export commodities; Support Market Information Systems;
Private Sector Strengthening	Create public private dialogue structures at national and local level; Create incentive structures e.g. catalytic funds, low interest rates, to encourage private sector entry; review options for agriculture insurance-schemes (e.g. weather index based); reform the regulatory environment to ease private sector;
Food and Nutrition Security	Ensure stability of supplies through management of post-harvest losses, preservation, processing and value addition; Ensure food safety; Create awareness on labour saving techniques in food production & preparation;
Disaster Management, Climate Change Adaptation and Mitigation	Support adaptation and mitigation strategies at local level; Empower village level Disaster prevention Committees to provide early warning information; Strengthen early warning information systems at national, regional and district level;
Policy Reform and Institutional Support	Strengthen research institutions to support key value chains; Strengthen capacity of extension services at district and sub district level; Undertake policy analysis and reviews; Strengthening institutions of higher learning; Strengthen Farmer Field Schools;

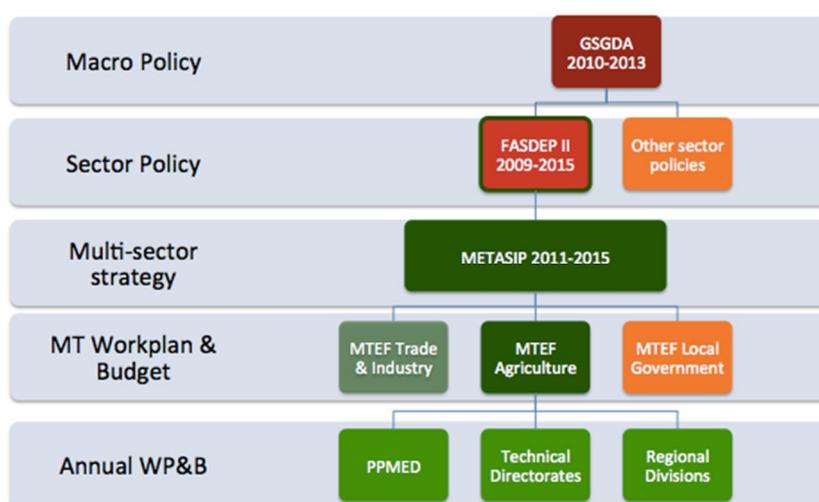
In this way, ASDP-2 would be a guiding framework for *public* expenditure (recurrent & investment) in tune with the TAFSIP as a guiding framework for *investment* (public & private). ASDP-2 could then also act as a ‘docking station’ for other initiatives in the sector, in as far as it concerns their public service component. The agriculture sector is thus guided by two complementary frameworks, the ASDP and the TAFSIP, with the ASDP as a driver for results-oriented government services and expenditures.



NAIP as a stand-alone programme – The case of Ghana

Ghana got off on a good start by basing the NAIP on its long-standing SWAP experience. Experiences with the Agriculture SWAP (AgSSIP 2000 to 2009) were used in the formulation of the Food and Agriculture Sector Development Policy (FASDEP II; 2009-2015). This policy was finalized just as CAADP was launched and so FASDEP II became the departure point for the CAADP process, which helped Ghana become one of the first countries to sign a CAADP Compact in October 2009. The focus of the CAADP process was “to strengthen and add value to the FASDEP II” and the NAIP to implement FASDEP II was the Medium-Term Agriculture Sector Investment Plan (METASIP; 2011-2015). METASIP underwent a CAADP Technical Review, resulting in a final improved version to be launched in September 2010.

There appears to be an almost textbook-like cascading down of policies into plans, programmes, budgets: The Ghana Shared Growth Development Agenda (GSGDA; 2010-2013) sets the overall agenda; The GSGDA agriculture chapter is elaborated at the sector level in the FASDEP II; and at the

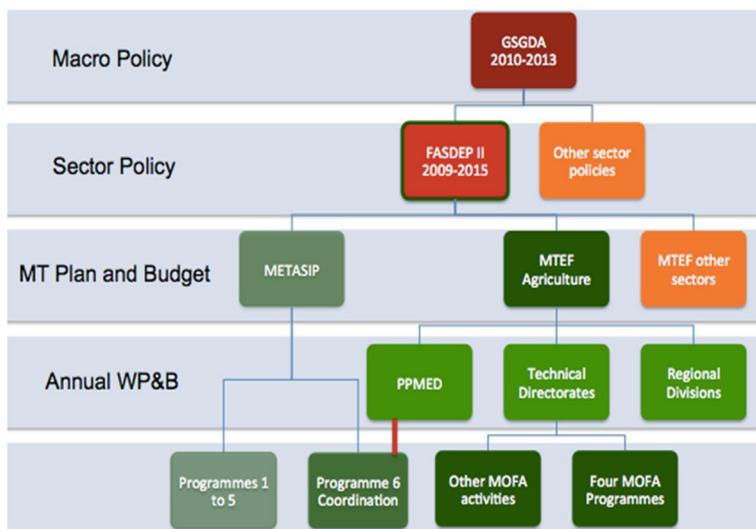


implementation level METASIP is the vehicle to be rolled out into annual work-plans and budgets under the MTEF for the Ministry of Agriculture and those of related ministries.

Unfortunately, this envisaged scenario has not taken place in reality. Whereas METASIP should be a *planning* framework, it seems to be treated as a *programme*: A programme that may or may not be implemented, depending on if the funding gap can be closed.

In 2011 METASIP had a 76% funding gap. The programme document states that “The cost estimates for METASIP are public sector expenditure to be incurred *above* existing commitments to recurrent and investment costs for ongoing programmes. They do not include operational costs such as personal emoluments...” It is understood that METASIP does not include recurrent costs, such as salaries, since it is an *investment* plan; but why does it not include the *investment* costs for ongoing programmes? There appeared to be no clear link between even the MTEF of the Ministry of Agriculture and the METASIP. The Ministry of Agriculture has four main agricultural programmes; block farming, fertiliser subsidy, Agricultural Mechanisation Centres and National Food Buffer Stock Programme. Although these are in line with METASIP, investment expenditure for these programmes is not part of the METASIP’s budget (only part of the ministries’ MTEF).

Surely, for METASIP to have credibility as an agriculture investment plan, its framework should (at least) guide the investment made by government in the sector.



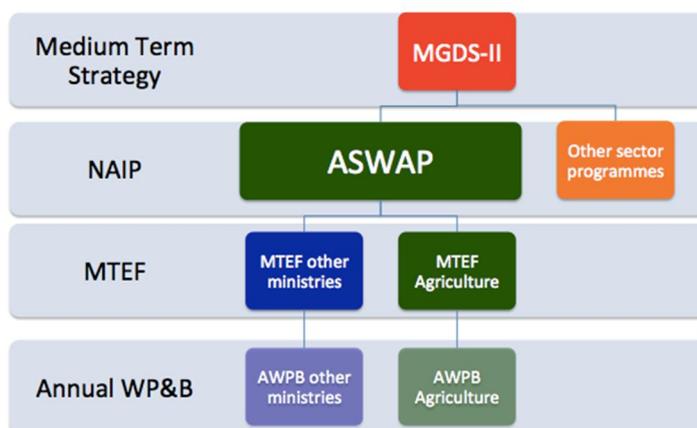
This results in a METASIP whose 5 sub programmes remain practically unfunded. Only the component called Programme Coordination, by the Policy Planning and M&E Dept (PPMED) is funded as it is part of the department’s day-to-day activities. The other investment programmes by the ministry fall under the

relative technical department (Extension, Research). The planning and budgeting for these programmes is part of the regular domestic budget process, and parallel to METASIP.

NAIP as an integrated (mainstreamed) programme: The case of Malawi

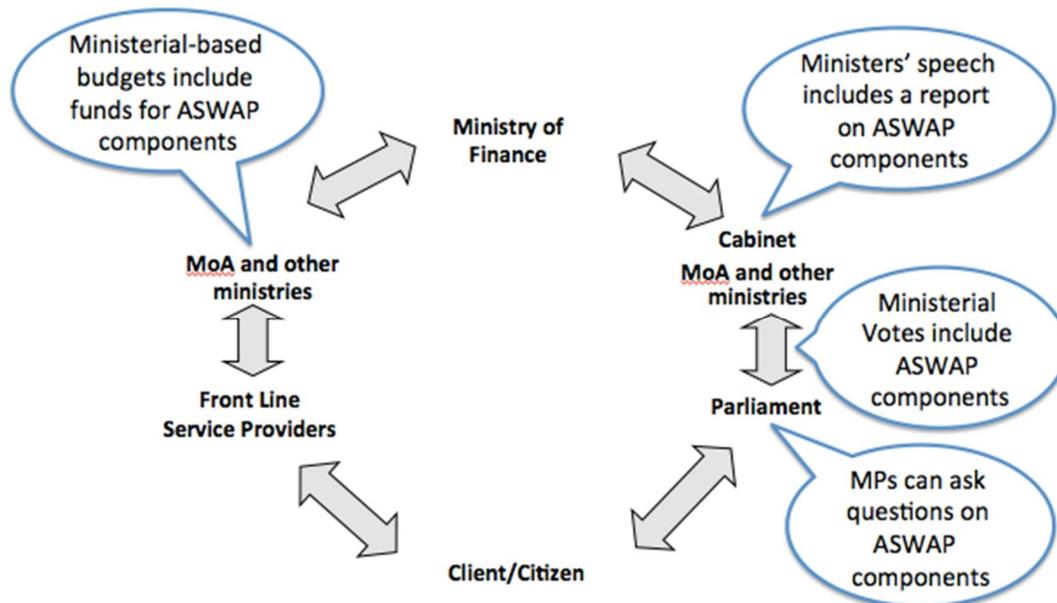
In Malawi the Agricultural SWAP and the NAIP are the same programme. The Malawi Growth and Development Strategy (MGDS-II; 2011 - 2016) is the country’s overarching medium-term strategy. The Agriculture Sector Wide Approach or ASWAP is the vehicle for the MGDS-II in the areas of agriculture, food security, water development and disaster risk reduction. The Ministry of Agriculture and Food Security is lead ministry, but ASWAP is also implemented through programmes of other ministries (Irrigation and Water Development, Trade and Industry, Local Government and Rural Development, Natural Resources, Energy, and Environment and several other government departments). Overall coordination of ASWAP programmes and programme components is by the ASWAP Secretariat, to which all responsible ministries report.

ASWAP planning is aligned to the government’s main cycle. The Ministry of Agriculture consolidates its workplan and budget; and the ASWAP Secretariat inserts the ASWAP components from other ministries and produces the overall ASWAP workplan & budget. This is sent to the Finance Ministry for inclusion in the annual budget.



During the budget year, disbursement by the Treasury is according to the ASWAP plan and to the ministries responsible for the different activities. Donor funding is progressively brought on board of the ASWAP, but different funding modalities are allowed, as long as supported initiatives are ‘on-plan’.

Accountability of all ASWAP expenditure is via the regular public finance monitoring system and is subject to internal and external audits. Ministers are accountable for their budgets and spending to parliament including the part that concerns ASWAP expenditures.



Thus, the Malawian NAIP is a fully integrated and mainstreamed programme, implemented by different sector-related ministries and harmonising development partner support in the sector and coordinated by an overall secretariat.

Giving NAIPs a second chance

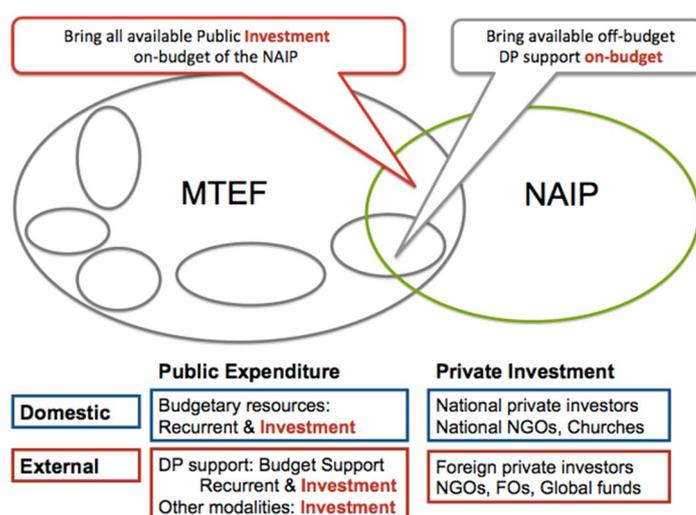
The CAADP process focuses on the NAIP: The Technical Review tends to assess the content of the NAIP: Has it identified potential in the sector? Is it aligned to the CAADP Pillars? **But even an excellent NAIP can fail when it has not been integrated in the day-to-day business of the actors responsible for seeing it through.**

Too strong a focus on the NAIP risks losing sight of the 'NAIP environment'. In most countries the NAIP is one of many frameworks vying for funds. Other frameworks include investment plans in trade and industry sectors; other expenditure plans in agriculture; donor-supported programmes in agriculture or related sectors. Which of these gets implemented depends on political ownership, power and processes. Sometimes NAIPs are 'owned' only in the agriculture sector, despite the fact that many of the required action in the NAIP falls outside it. Sometimes they are owned only by the Agriculture Ministry (not by non-state actors); or, in the most difficult of cases, owned only by a single department.

Before NAIPs are realigned in the wake of Malabo, let us try to understand and try to assist countries to correct the current weaknesses in implementation: In short, let us give NAIPs a second chance. NAIPs seem to share some common bottlenecks, but lessons from country cases also point to some best practice principles. It is hoped that the current study can elaborate on this and eventually come up with some guidance on the do's and don'ts in designing and executing a NAIP. The table below is a start:

Common bottlenecks	Best practice principles
Not anchored in multi-sector policy and legislation	Plan within mandates; review policy and legislation when needed
Not linked to MTEFs and annual budgets	Make all relevant public investment that is included in the MTEF also part of the NAIP
Ministry of Agriculture cannot coordinate other ministries	Make Agriculture the Secretariat, but let the Oversight role be with higher government (e.g. Planning or Finance)
Lack of implementation on the ground	Involve primary producers and agri-business right from the start and at all stages
Insufficient domestic accountability	Mainstream NAIPs in government cycles
Funding gap	Ensure that all public investment in agriculture is part of the NAIP, including investment by donors: Bring 'off-budget' DPs on-budget

Closing the funding gap in NAIPs is not easy, but the steps mentioned in the table above go some way in the right direction.



Even in countries where the NAIP grapples with a debilitating funding gap, there is often a lot of public money in the agricultural sector, and much of that (especially that spent by donors) is used for capital investment.

These existing funds should (increasingly) be guided by the country's NAIP (as shown on the left) if the CAADP process is to have any impact at all.

Making Development Partners part of the solution

The role of development partners is assumed to be a supporting one; yet, unfortunately, they often contribute to the confusion: National Plans are drawn up in a hast because DP deadlines have to be met; National Plans developed at great cost are abandoned because DPs change their priorities or shift their support to the next development vehicle.

But, there are sufficient examples of DPs who respect government mandates and country ownership and who assist national actors stick to a plan and learn form the experience. These 'best DP practices' should also be analysed - and maybe these can start the discussion on the need for a pan-African 'code of conduct' for all DPs active in the Agriculture Sector. However, any such instrument should be based on principles (not prescriptions) and allow sufficient flexibility to allow for country specific circumstances.