



AU-EU Investing in a Food Secure Future

Strengthening AU-EU cooperation on agriculture policy to achieve food security and improved nutrition"

Background note

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In a world of plenty, one in nine people lack adequate food and nutrition to lead healthy and productive lives. The world today faces one of the biggest challenges of the 21st century: how to feed 9 billion people in 2050. African population is expected to be double from the current one billion in the same period of time. Current patterns of consumption and production will only increase pressure on already scarce natural resources. Climate change represents an additional threat, already undermining agriculture and food systems in many regions, making it more difficult to achieve food security and nutrition goals and reduce poverty. In the context of food security and the right to food, the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) finds that all aspects of food security will be threatened, including production, access and price stability. Smallholder farmers, providing up to 80% of the global food supply, including livestock keepers, fishers and foresters and especially women and indigenous people, are the most vulnerable to the various impacts of climate change.

The agreed Sustainable Development Goals give a fresh chance to demonstrate political leadership, strengthen international food security policy and will be at the top of the international political agenda for the coming years, notably achieving zero hunger by 2030. Alignment with the African Union's Agenda 2063 vision and priorities must also be an essential part of the agricultural cooperation between the AU and EU. With almost 800 million people suffering from hunger and four-fifths of the extreme poor living in rural areas, it is necessary to raise agricultural incomes. To do so there is a need to foster innovative partnerships, boost both private and public investments in the agri-food sector and rural areas in order to raise agricultural and rural productivity and incomes and promote more productive, sustainable and inclusive food systems, critical to human dignity.

Another win-win opportunity arises from the intended Nationally Determined Contributions to Climate action (INDCs), for which many countries have included activities in the agricultural sector. As countries develop climate policies in response to the Paris agreement, and develop their plans to implement the SDG's and the AU Agenda 2063 there will be opportunities to integrate food security and nutrition into climate action.

To enable people to achieve global food security and improved nutrition, and for food producers to improve their livelihoods, there is a need for sustainable increases in agricultural productivity by an estimated 60%; and at the same time this calls for reducing food losses and food waste; for strengthening the social and economic structure of rural areas; for empowering women and girls; for all food systems to be more resilient and able to adapt to climate change; and for enabling agriculture to contribute to the reduction and removal of greenhouse gas emissions, where possible. These challenges and opportunities are particular pertinent to the African continent.

The AU and the EU each have a long experience in agricultural and rural development policies. Agriculture is a cornerstone for economic development and sustainable growth in both regions. In the light of the challenges, both regions need to step up their efforts to transform agriculture in a sustainable way in order to achieve food security and improved nutrition. Focus on agricultural cooperation is needed in the areas of capacity development and technical assistance; climate smart agriculture (in which increased food production is combined with adaptation and mitigation to climate change and with preservation of natural resources); private sector cooperation and private investments and looking for smart ways to combine private and public initiatives in order to make the most of the possible synergies of this combination; market access; food losses and food waste across the value chain; management of risks of adverse weather conditions and price and market volatility (through amongst others early warning systems); science, innovation, applied research and technology and the transfer and dissemination of knowledge and technology, looking for win-win combinations with traditional knowledge and technology.

Purpose and Objectives: AU-EU Conference of Ministers of Agriculture

Recognizing these challenges, the Government of the Netherlands, in its role as EU Presidency 2016, has taken the initiative to advance AU - EU cooperation in the field of agriculture, and place special emphasis on the role of agricultural policy cooperation in food security and nutrition improvement.

Acknowledging considerable challenges and achievements within Africa to end hunger, achieving food security and improvement in nutrition, the Conference will build on the commitment of African leaders as expressed at the June 2014 AU Summit in Malabo, Equatorial Guinea. With acceleration of agricultural growth and transformation as the primary strategy to end poverty in Africa and reducing vulnerability to climate and weather related risk, the Conference will explore options for the contribution of agriculture policy cooperation between the AU and EU, including for SDG2 and AU Agenda 2063 implementation, and in alignment with the commitments of the Malabo declaration.

This agricultural policy cooperation seeks to support governments, farmers, private sector, scientists, businesses, and civil society, as well as regional blocs and international organizations, in adjusting agricultural, forestry and fisheries practices, food systems and social and economic policies in order to reach these goals.

Themes of cooperation

- *Pillar 1: Climate smart agriculture:* Globally improving sustainable agriculture has to take into account the effect of a changing climate. Populations in Africa, where many are already vulnerable and food insecure, are likely to be the most seriously affected by the impacts of climate change. The concept of climate-smart agriculture will be at the heart of increasing agricultural production by 60 % in the year 2050. This was further underlined at the COP21 Paris climate summit. Climate smart agriculture (CSA) will be pivotal not only to increasing agricultural production to meet the food security needs, but also promote adaptation to climate change and reduce greenhouse gas emission from the agricultural sector, contributing to the implementation of global agreements. Responsible investment in CSA should enhance sustainable agricultural practices, including soil and water conservation, improved irrigation systems, greater water efficiency, locally adapted seed systems and preservation of biodiversity as well as generic improvements in agriculture, fisheries and forestry.
- *Pillar 2: Reducing Food Losses and Waste:* Reducing food losses and waste can add to 30% of the aimed increase of production. Currently around one third of the food produced is being lost or wasted. This huge level of inefficiency has economic, social, and environmental impacts. Reducing food loss and waste can be a "triple win" opportunity: it saves money for farmers, companies, and households; wasting less means helping feed more; alleviates pressure on climate, water, and land resources. Investments in agro-processing operations, such as milling cereals, extracting oil and (cold) storage and marketing facilities should help reduce food losses and waste across the food system, and in turn, increase quality and food safety.
- *Pillar 3: Improving Market Access, regionally and internationally:* Looking into accelerating growth by raising the capacities of private entrepreneurs (including commercial and small-holders) to meet the increasingly complex quality and logistic requirements of markets; creating regulatory and policy frameworks to facilitate the emergence of regional economic spaces that will spur the expansion of regional trade and cross country investments; improving competitiveness, removing trade barriers; creating regional internal markets. This would also require improving food inspection services with trained staff, upgraded laboratories and expertise to design and monitor food safety standards.
- *Pillar 4: Increasing Responsible Private Investment in Sustainable Agriculture:* Investing responsibly in agriculture can effectively increase the productivity of agricultural labor and land, and boost rural businesses. Productivity is a major determinant of farm incomes. Especially private investments will boost agricultural business operations and value chain approaches. Strengthening of the food supply chain by, inter alia, encouraging small farmers to organize themselves and to diversify and upscale their marketing; investments in transportation, food industries and packaging industries, awareness raising among food industries, retailers and consumers, strengthening knowledge and capacity of food chain operators, including safe food handling practices, marketing cooperation and improved market facilities.

Furthermore those investments should enhance sustainable agricultural practices, including soil and water conservation, improved irrigation systems, greater water efficiency and preservation of biodiversity as well as generic improvements in agriculture, fisheries and forestry. In order to attract an enhanced flow of private investment in the agricultural sector challenges in the area of the enabling environment for investment have to be overcome. A number of these issues have been discussed during the AU-EU agribusiness conference in EXPO Milano in October 2015. Furthermore extra emphasis was given in the Valletta action plan 4th priority initiative on facilitating private investment.

Pillar 5: Science & Innovation for Development: Institution building, capacity building and access to research and innovation determine the success of increasing agricultural productivity in a sustainable way. Enhanced instructional cooperation between universities and research centers in both regions can lay a firm foundation for sustainable growth, and attract the interest of youth to work in the agricultural sector, as young entrepreneurs, the future farmers. The EU-Africa Research and Innovation Partnership on Food and Nutrition Security and Sustainable Agriculture, adopted on 4 April 2016 will inform the discussions.

This cooperation should also be region and/or country-owned and region and/or country-specific. The Comprehensive African Agriculture Development Programme constitute the framework for AU agriculture policy, complementing on the EU-side national cooperation-strategies of EU-Member-States with African countries or regions and EU strategies.

Action-oriented cooperation

The focus of cooperation should be action-oriented and could incorporate the following overarching concepts, paying specific attention to the crucial role of women and youth, building on lessons learned, responding to today's reality and the challenges of the future:

Farmers first: there is a need of putting farmers (in particular small-scale farmers focusing on women and youth) in the drivers' seat by strengthening their position in the agricultural value chain;

Chain approach: improving and strengthening the value chain will be the cornerstone for this regional cooperation;

Entrepreneurs as drivers of change: there is a need for a paradigm shift in the role of the private sector, scaling-up of private sector involvement/responsible investment in the agricultural value chain;

Private-public partnerships as a change agent: rolling out of this model and building on the recent successes in various areas of agricultural development, notably in Africa.

Expected outcomes

The Conference will result in a strong and lasting partnership of AU and EU Ministers of Agriculture on the main themes of cooperation. To accelerate the implementation of relevant agreements and actions as well as to strengthen the cooperation with private sector, especially through private public partnerships.