



**Generic Terms of Reference for CAADP Joint National Government/AU/NEPAD
& Development Partners Situation Assessment and Country Action Plan
Identification Missions on High Food Prices**

in

**Follow up to the AU-NEPAD Food and Nutrition Security Workshop: Accelerating
Investments in Response to High Food Prices and Food Insecurity**

4th June 2008

A. Background

Global food prices in Africa are increasing rapidly due a multitude of factors including (i) growing demand in fast growing economies, (ii) increased diversion of grains to bio-fuels and animal feed (iii) escalating production costs – fertilizers and agro-chemicals. At the same time, global food reserves are at their lowest level in 25 years due to de-regulation of markets and adverse weather condition in key exporting countries. The dramatic rise in food prices is severely affecting the food security of large populations in many countries, particularly amongst the poorest and most vulnerable.

Under the CAADP Framework, the AU and NEPAD have launched an initiative to assist countries in rapidly responding to the rising food price crisis through the acceleration of the CAADP country roundtable process. The initiative will assist countries in 1) developing both the medium and longer term investment programmes and policies required to achieve sustained growth in agricultural productivity, long term food security and poverty alleviation, 2) within the same context develop short term emergency interventions to address the immediate crisis that will support the development of medium and longer term solutions. At the same time the initiative has helped mobilize resources from participating development partners to back governments own commitments to the resulting investment programmes. So far, development partners have pledged approximately US \$500 million to support short term interventions as well as making available over the next 1-3 years both additional and reallocated resources for medium to longer term interventions approximating US\$ 8 billion per year as part of MDG-Africa initiatives.

The first stage of this initiative involved the organization of an investment workshop (20th-23rd May) that brought together 19 countries (countries targeted have been engaged in the CAADP process and/or have been adversely affected by the food price crisis) with key African Institutions and Development partners, including the CAADP Pillar 3 Lead Institutions UKZN and CILSS, other CAADP Pillar Lead Institutions, the RECs, CGIAR Centres, the World Bank, FAO, WFP, USAID, IFAD, AfDB, DFID, GTZ and NORAD.



Over the course of the workshop, participants worked together to prepare draft concepts and roadmaps for the preparation of short, medium and long term responses to be implemented at the country level. The next step in this exercise was for participants to take this work back to be reviewed in country with local stakeholders and development partners with the goal of finalizing concepts and roadmaps for implementation by June 30th.

To assist in this process, a taskforce has been established to help coordinate the continental response and ensure that technical assistance and backstopping support and resources are available to respond to country demands if these are not accessible at the country level. Part of this technical assistance is expected to include completion of a number of CAADP joint National Government/ AU/NEPAD and Development Partners Situation Assessment and Country Action Plan Identification missions.

B. Objectives

The overall objective of the mission is to elaborate the initial concept notes, through a consultative process, and define how international organizations can support country efforts, including the Africa Union (AU), NEPAD Secretariat and Pillar 3 Institutions, the World Bank, FAO, WFP, IFAD, and others to respond proactively and in a sustainable way to high food prices and food insecurity in the short and long term.

The mission will hence identify specific interventions to address high food prices and food insecurity. It is envisaged that these interventions will cover a certain number of aspects, such as an understanding of the political environment and the suggested policy measures, agricultural systems and productivity, risk management, social protection and safety net systems.

Proposed interventions will need to address both the short term (agricultural seasons current and next) and the medium term (two/three year's period). The mission will identify such interventions in close consultation with the government and other partners in development.

The mission will portray, in line with the country Action Plans several dimensions, including:

- (i) Recommendations for agricultural and economic policy measures to address the causes and the effects of raising food prices.
- (ii) Recommendations for possible improvements in the institutional framework.
- (iii) Identification of interventions to increase local food availability through increased production and productivity of the most important staple crops.



- (iv) Additionally, the mission will identify interventions to protect the most vulnerable groups from the effects of high food prices to protect purchasing power.
- (v) For the longer term, the mission will identify interventions that address investments in rural infrastructure, agricultural research and human and institutional capacity building, marketing and market information supply, storage, etc.

C. Approach/ Methodology

- Stakeholder consultation with the Government Ministries including those responsible for Agriculture, Finance, Planning, Natural Resources, Water, Social Safety/ Emergency response, and other stakeholders including the Private Sector and NGOs, Producer and Farmers Organizations and Major Foundations or other actors financing agriculture commodity chain development etc. about how the country respond to this phenomena and what kind of support is needed to initiate short term interventions to address the adverse impacts of the rising food price crisis;
- Meeting with the participants to the May workshop and CAADP focal point to determine progress in finalizing the concept note as well as the roadmap for CAADP roundtable implementation;
- Consult staff of selected rural and agricultural development projects and programmes that aim to increase agricultural production and productivity (including WB, ADB, and IFAD financed projects and programmes)
- Conduct a SWOT analysis to determine the potential interventions need to be identified for the medium and longer term to ensure successful implementation of the CAADP agenda.

D. Main expected outcomes of the mission

- Identification of the main issues to be addressed by the action plan and needing further technical work;
- Proposed areas where there is a need for technical information such as agricultural productivity technologies, economic analysis review, risk management programmes, social protection and safety nets and review of documentation and past initiatives to ensure that new interventions proposed in the action plan are adding value and contribute to sustainable development;



- Identification, in collaboration with concerned stakeholders appropriate policy options to tackle causes and consequences of soaring food prices and determine follow up proposals for economic and market policy work, analysis etc.
- Ex-ante socio-economic impact analyses of selected policy options to identify possible beneficiaries, estimate costs and benefits of alternative policy options, assess their sustainability, possible conflicts of interest among different stakeholders and required negotiation processes etc;
- A rapid assessment of the agriculture sector, in particular and seed and fertilizer components, evaluate the strengths and weaknesses of these components, review the initiative of the national authorities and the donor in regards to these components and determine the gaps in on going or planned initiatives; and then develop concepts paper to address these gaps to assist the country to boost food production
- Agreement with government, partners agencies and donors, on the road map for follow up, including technical assistance and resource needs;
- Agreement with the government concerning a focal unit at the national level which will coordinate follow-up activities.
- Agreement with the Government, other stakeholders including private sector and partner organizations (WB, AU, NEPAD, WFP, IFAD etc) on the roadmap for the implementation of the Action Plans in parallel with the acceleration of the implementation of the CAADP country roundtable process and medium to long term investment programmes. This will include an estimation of costing for proposed interventions.

E. Mission Members

To be determined

F. Mission Timing

To be determined.

G. Reporting

An Aide-Mémoire containing the outline country action plan preparation, and summary of the road map and follow-up strategy will be prepared. The draft Aide-Mémoire will be presented towards the end of the mission at a debriefing meeting with national



stakeholders and those international partners contributing to the mission. The mission will seek consensus on the country action plan outline and main recommendations for the formulation phase.

A final report, upon return from the mission, will be produced within 2 weeks. The Final Report will contain the country action plan outline.

Suggested outline for reporting:

1. The general context and food situation

Prepare a short general background and description of the political and economic situation including an overview of the agricultural sector and the current in country food situation.

2. Assessment of the situation of soaring food prices in the country

Give an overview of the main factors underlying the soaring food prices in the country and make an assessment of the soaring food prices situation in both urban and rural areas. Assess the economic and social impact of the current situation of rising food prices on consumers and other actors in the chain.

3. Country action plans

The country action plan will be integrated into wider national programmes, policies and existing partnerships. The proposed objectives of this action plan correspond in broad terms to the core objectives of the CAADP, Millennium Development Goals, Poverty Reduction Strategies in coordination with the World Bank, WFP, IFAD, Regional Development Banks, UNDP, IFPRI, and various bilateral donors.

The country action plans should include a policy component, that will aim at identifying and proposing medium and long(er) term policy project/programme interventions to address the issue with a view to achieving sustainable agricultural development.

The country action plan should also include the projected costing for proposed interventions.

4. Roadmap for CAADP Implementation

The mission will provide an assessment of the progress made in implementing the CAADP agenda and to the extent possible, agree with government on a roadmap for implementation of the roundtable process. This roadmap will be included in the final report.

5. Follow-up arrangement

The situation assessment and the country action plan report will serve as an initial framework for discussions between national stakeholders and international partners.



Key Issues to be considered by the mission

The mission will pay due attention to key issues which Government has indicated as being priority areas. These include (but not limited to);

- Review existing /ongoing data collection, food security monitoring and related analytical works at the country level to understand the impacts of high food price with the view to extract relevant information regarding estimates of the number of population (rural or urban), and affected regions of the country. In the event there is limitations of current data availability, the Mission will recommend collaborative arrangements with national government and development partners to undertake food security analysis as rapidly as possible;
- Catalogue national development programmes including ongoing safety net and social protection measures, development projects and programmes which will mitigate impacts of rising price on the food insecure population (rural and urban);
- Identify short-term food security/ emergency measures (with and in addition to existing response mechanisms) including nutritional interventions as well as rural and agricultural development interventions;
- Identify medium and long term food security and agricultural development measures and their link with national development strategies including means to reduce post harvest storage losses.
- The feasibility of enhancing production through increased irrigation.
- Assessing the short and medium term requirement for agricultural inputs including fertilizers and high yielding seed varieties.
- Assess the need /appropriateness of seed protection measures;
- Strategies for reducing post harvest losses
- Potential for aquaculture development to enhance food security and nutrition.
- Improving information databases (prices/productivity etc) to complement policy interventions;
- Assess early warning systems (food security monitoring systems including market/price monitoring), data analysis and communication means/ capacity;
- Broadly examine policy options being considered – tariffs, taxes and minimum support prices etc.