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MAY ISSUE

Greetings to All,

As we wipe our tears over the dark clouds that befell us in the Iraq, we should also be folding our sleeves in anticipation for the seat over our brows. The effect of the Iraq war is upon the African continent. It is a haunting and daunting task indeed. The tragedy of the loss of lives is irreplaceable, but the challenge to restore the dignity and the integrity of the human spirit are virtues that Africa can contribute. Not that moral superiority is something we wish to pride ourselves with, but after centuries of pains and suffering we know too well how the will to restore self-determination and independence contributes to the will to rebuild a nation in ruins.

One lost life in adversity, regardless of which side it comes from, is a life too many. It is for these results that we consider the role that NEPAD plays in its chapter of Peace and Security as a critical challenge. Even more pressing is our unflinching resolve that correlation between democracy and development should be synonymous.

May 2003

Food Crisis in Africa will be the focus of this month.

THE FOOD CRISIS IN AFRICA

Nature and Scope of the Crisis

Despite substantial socio-economic gains in many African countries over the last thirty to forty years, hunger remains a major threat to many people, particularly in Sub-Saharan Africa. In 1998-2000, more than a quarter of the population of Africa was chronically undernourished (202 million people). The prevalence of under nourishment in Sub-Saharan Africa has declined only slightly over the past two decades, from 36 % to 33 %. The Food and Agriculture Organisation (FAO) estimates a decline in the proportion of

undernourished people in Sub-Saharan Africa to 22 % by 2015. Unfortunately, the absolute number is expected to increase from 180 million in 1995/97 to 184 million in 2015.

The reasons for this dire situation are manifold and include frequent droughts and floods, particularly in the last 20 years; civil strife, which has displaced people from their agricultural food production activities; poor technology and low productivity; lack of appropriate inputs, particularly high yielding seed varieties and fertilisers; declining soil fertility; poor agricultural support services; and government policies which have, in general, not been supportive of the agricultural sector. HIV/AIDS has increased the severity of the crises by depleting the ability of communities to participate in labour intensive food production.

1.1. Decline in food production

Africa is the only region in the world where the average food production per person has been declining over the last 40 years, putting large segments of the population at risk for food insecurity and malnutrition. FAO reports that for the continent as a whole, annual per capita production of cereals has fluctuated between 140 kg and 175 kg during the 1990s -- far below the global average of 358 kg. Production growth in cereals for sub-Saharan Africa over the past 30 years was around 2.5 % per annum, and is expected to stay roughly at this level for the next 30 years. See Annex 1 for a comparison of agricultural indicators between Africa and other developing regions and income categories

Agricultural production soared world-wide during the second half of the 20th century through the combination of improved biological potential of food crop management techniques (wheat yield quadrupled in Mexico and rice production tripled over a 20 year period in South Asia). In Africa spending on agricultural research stagnated over the same period in comparison to other developing countries, leading analysts to believe that a decline in research and productivity are inextricably linked.¹

1.2. Access to Food

It is the opinion of both the WFP and the Millennium Project Task Force² that access to food and not a decline in food production, is the main cause of the current food crisis in Africa. In many African countries market systems are nonexistent. After a bumper crop, prices collapse and the farmers have no incentive to increase production. In a bad year food prices soar and become unaffordable to the majority of

¹ Multi-Country Agricultural Productivity Programme (MAPP) for Africa.

² The UN Millennium Project is a three year initiative conceived of by the United Nations to analyze policy options and develop a plan of implementation for achieving the Millennium Development Goals. Dr Pedro Sanchez is the task force coordinator on Hunger.

people. Poor or non-existent transport infrastructure further hamper's farmers' ability to provide communities with food.

Another factor, which has destabilized and in certain cases destroyed local agricultural markets, has been the influx of food-aid over the last 30 years. Food-aid has, for many developed countries, become a method of dispensing of surplus food in their markets. Whilst food-aid has contributed to commodity price stability in their markets it has led to further destabilization of African markets.

As an example, in 1987 a WFP report stated that Somalia had produced a surplus of food that year, yet Private Voluntary Organisation (PVO's) continued to distribute free food. Inevitably, indigenous food-distribution networks withered and disappeared. The country's economy adapted to foreign aid - not to production. Allegations have also been made that much of the food aid by NGOs and PVOs take place in areas where there are no food shortages, as these are the areas with adequate infrastructure that facilitates delivery, with devastating effects on the local markets.³

Once food distribution systems are set in place they become very difficult to dismantle and even when the crisis is over communities continue to receive food-aid, which further weakens local production abilities. In the mid-1990s, out of the world total of 32 million victims of disasters receiving relief assistance from the WFP⁴, 21.5 million were living in Africa. According to WFP, the number of people suffering from food emergencies in 2001 ranged from 23 to 28 million.

Whilst WFP and FAO conduct assessments and make recommendations on whether there are possibilities for local or regional food purchases, WFP depends on voluntary contributions for its relief activities and has no say as to the origin of the food. By its own admission it imports food at times when it would be much cheaper to buy locally or regionally. Purchasing food in the region or even locally would act as an incentive to local production and would serve to stabilize food prices. NEPAD could play an important role in changing the dynamics of food-aid by insisting that at least 50% of the food is purchased locally, or regionally.

The effect of decreased productivity and increased food-aid are also visible in trade statistics for Africa. Africa's share of international agricultural trade has fallen from 8% in 1965 to less than 3% in 2000. For

³ Michael Maren, an experienced aid worker who worked for the Peace Corps, Catholic Relief Services (CSR), and the United States Agency for International Development (USAID) between 1977 and 1982 after which he left the aid business to become a journalist. He made these comments in an address on the Food-Aid Racket to Cornell University graduates in 1993.

⁴ Unlike PVO's and NGO's mentioned above the WFP meets the food needs of the most food insecure and vulnerable households and communities during crisis periods. After emergencies WFP also offers Protracted Relief and Recovery Operations for up to 3 years to cover the later stages of an emergency, to help re-establish and stabilise livelihoods and households, to support rehabilitation and to enable people dislocated by disasters to regain long-term growth.

30 years, agricultural imports in Africa have been increasing faster than agricultural exports, making the region a net agricultural importer since 1980. WFP statistics show that part of Africa's "imports" is food-aid, with the continent receiving 2.8 million tons in food-aid in the year 2000.

1.3. Commitment to Millennium Goals

The World Bank estimates that financing the successful achievement of the Millennium Development Goals to cut hunger and poverty in half by 2015, could cost in the range of \$US 40-60 billion a year in additional aid to developing countries up until 2015. Close to 0.7% of the Developed World's GDP. James D Wolfensohn, President of the World Bank⁵ called on rich countries to double their overseas aid from the current level of about \$57 billion a year and dramatically cut their agricultural subsidies. Industrialized countries spend \$360 billion annually on farming subsidies, which has further been inflated by increased US subsidies in 2003. The *Financial Times* recently reported that a European cow receives twice as much in subsidies as a Third World farmer makes in a year.

There has also been a marked decrease in development assistance due to so-called donor-fatigue. According to the World Bank, Official Development Assistance (ODA) flows are down 25% in the last 4 years. Another factor that influences this trend has been the increase of donor support for relief activities as opposed to long-term development. It is estimated that 70% of donor funds are currently being channelled to relief aid. As already illustrated, providing relief to the exclusion of development exacerbates the food crisis in the long term. The increased focus on relief has created a widening gap in the transition from relief activities to development initiatives and has the potential of further threatening development and food security on the continent.

Whilst all the governments of the world have signed the Millennium Declaration, thereby committing themselves to the achievement of the Millennium Goals, governments in both developing and developed countries continue to spend billions of dollars on weapons. Even before September 11, 2001 the UNDP reported that the world spends \$780 billion each year on war and military forces. As stability and security are prerequisites for sustainable development, the world is, in effect, spending \$2 billion a day on ensuring that there is no sustainable development. Since the onset of the so-called war on terrorism and the war on Iraq, the developed world, and most notably the US and UK, has substantially increased its military expenditure.

2. Conclusion

⁵ World Bank Press release 2002/212/

To effectively address the food crisis and cut hunger and poverty by half by 2015, sustainable agricultural development is essential. However, we cannot focus on these initiatives alone. The fact that millions are starving with little or no hope of becoming self-sufficient, in terms of their ability to feed themselves in the near future, must be addressed immediately.

Through NEPAD, Africa can ensure that donor money being channelled into food-aid generates development. It is also clear that African governments must commit resources to ending the food crisis and ensuring long-term development on the continent. At the same time every opportunity should be utilized to remind the G8 of their commitment to the Millennium Declaration and the need to cooperate closely with NEPAD to achieve these goals.

An Action Plan on Agricultural has been developed under the auspices of NEPAD, in consultation with Regional Economic Communities, their development partners: WFP, FAO, and International Fund for Agricultural Development (IFAD), the development banks, Civil Society Organisations, senior government officials and the private sector. This action plan combines relief and development initiatives.⁶ Receiving immediate attention is the development of a programme to address the food crisis and increase emergency response capacity in Africa in such a way that the harmful effects of aid will be mitigated and long-term development will be generated.

ANNEX I

Table 1: Comparison of agricultural indicators between Africa and other developing regions and income categories

	Africa	Sub-Saharan Africa	Near East and North Africa	South Asia	East Asia and Pacific	Latin America and Caribbean	Middle income countries	High income countries	World
Proportion of arable land irrigated	7.0	3.8	28.7	39.3	31.9	11.6	19.9	11.9	20.0
Added value per worker (\$/ year)	416	285	1 859	412	461	3 028	335	17 956	645
Per capita cereal production (kg/year)	147	128	128	224	336	259	339	746	349
Cereal yield (kg/ha)	1 225	986	1 963	2 308	4 278	2 795	2 390	4 002	2 067

⁶ The development initiatives include irrigation schemes, soil fertility projects, infrastructure development projects, developing and sharing technology to produce high yield seeds, establishing centers of excellence in Africa to back up development with research, and building capacity of farmers, governments and regional organisations to develop and utilize agricultural develop and utilize agricultural resources.

Livestock productivity (kg/ha)	164	128	147	121	150	198	191	248	193
Fertilizer use (kg/ha)	22	9	69	109	241	85	111	125	100

Source: FAO