

# Discussion Paper

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## **Regional approaches to food security in Africa**

The CAADP and other relevant  
policies and programmes in EAC

**Dolly Afun-Ogidan, Jeske van Seters and**

**Francesco Rampa**

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For comments and information, please contact Dolly Afun-Ogidann ([da@ecdpm.org](mailto:da@ecdpm.org)), Jeske van Seters ([jvs@ecdpm.org](mailto:jvs@ecdpm.org)) or Francesco Rampa ([fr@ecdpm.org](mailto:fr@ecdpm.org))

## Acronyms

ACTESA	Alliance for Commodity Trade in Eastern and Southern Africa
AFT	Aid for Trade
ASARECA	Association for Strengthening Agricultural Research in Eastern and Central Africa
AU	African Union
CAADP	Comprehensive Africa Agriculture Development Programme
CET	Common External Tariff
COMESA	Common Market for Eastern and Southern Africa
COMPETE	Competitiveness and Trade Expansion Program
CTF	Child Trust Fund
CU	Custom Union
DFID	Department for International Cooperation (United Kingdom)
DP	Development Partners
DPTT	Development Partners Task Team
DWG	Donor Working Group
EAC	East African Community
EAC-ARDP	East African Community-Agriculture and Rural Development Policy
EAC-ARDS	East African Community-Agriculture and Rural Development Strategy
EAFF	East African Farmers Federation
ECDPM	European Centre for Development Policy Management
ECOWAP	Economic Community of West African States' Agricultural Policy
ECOWAS	Economic Community of West African States
ESAFF	East and Southern Africa Farmers Federation
EU	European Union
FO	Farmers Organization
FTA	Free Trade Agreement
GAFSP	Global Agriculture and Food Security Program
IGAD	Inter-Governmental Authority for Development
MDTF	Multi Donor Trust Fund
NAIP	National Agricultural Investment Plan
NEPAD	New Partnership for Africa's Development
NPCA	NEPAD Planning and Coordination Agency
NSA	Non State Actors
NTB	Non-Tariff Barriers
ODA	Official Development Assistance
OSBP	One Stop Border Post
RAIP	Regional Agricultural Investment Plan
REC	Regional Economic Community
RFBS	Regional Food Balance Sheet
RISP	Regional Integration Strategy Paper
SADC	Southern African Development Community
SPS	Sanitary and Phyto-Sanitary
SWAp	Sector Wide Approach
TMEA	Trade Mark East Africa
USAID	United States Agency for International Development

## Executive Summary

In 2003 the Comprehensive Africa Agriculture Development Programme (CAADP) was established by the assembly of the African Union (AU) aiming to raise agricultural productivity by at least 6% per year and increasing public investment in agriculture to 10% of national budgets per year. After an initial phase focused primarily on interventions at the national level, there is growing awareness on the need to work more on the regional dimensions of the CAADP. In this context, the European Centre for Development Policy Management (ECDPM) has undertaken policy-oriented analysis and stakeholder consultations on regional CAADP processes - and issues at stake - as well as on its linkages with the broader regional integration dynamics, in various African regions. This paper focuses on the East African Community (EAC)<sup>1</sup>, with the objective to stimulate further discussions among involved stakeholders, to contribute to the consultative processes around the development and future implementation of CAADP at regional level, as well as to contribute to lessons-sharing across Africa on regional approaches to food security.

### Regional agricultural development in East Africa: Finding a place for CAADP

Regional agriculture development has been identified as one of the priority areas of the EAC Treaty. Starting from this premise, the EAC Agriculture and Rural Development Policy (EAC-ARDP) and Strategy (EAC-ARDS) were developed to serve as the common agriculture policy for the region and guide regional interventions in the sector. Although these foundational policy documents were introduced before CAADP gained momentum, their underpinning goals are compatible with the core principles of CAADP. Yet, there is the general impression among many actors in the region, that the EAC has not given enough consideration to the added value CAADP could provide if incorporated into ongoing regional processes. Until recently, the EAC Secretariat did not explore the possibility of a regional CAADP compact and was not strongly active in supporting its partner states along the CAADP process at the national level. Despite the slow start, perception towards CAADP is gradually changing: the EAC Sectoral Council on Agricultural and Food Security in August 2011 gave the Secretariat go ahead to develop an EAC regional CAADP compact, of which a first draft will be presented in April 2012. The initial ideas proposed suggest that the regional compact would adopt a bottom-up approach that builds on the existing national compacts, addresses regional challenges shared among EAC partner states, and integrates existing and emerging regional initiatives. But there is concern, especially from non-state actors, regarding the extent to which the Secretariat can deliver on these objectives. At the same time, discussions are underway with COMESA and SADC to develop a trilateral COMESA-EAC-SADC approach to implement CAADP principles across the entire East and Southern Africa region. At this point, there is no certainty that all three RECs will rally around the idea. While most donor and non-stakeholder actors support the trilateral CAADP compact concept, they strongly recommend that the EAC, national governments, and national and regional non-state actors jointly define how best CAADP should be implemented at the regional level. The guiding criteria being that the regional compact provides added value to existing initiatives, addresses the loopholes and weaknesses of current schemes and brings them together in an all-encompassing framework.

### National-regional nexus: Can rhetoric become reality?

While all stakeholders acknowledge the importance of regional food security, most are of the opinion that introducing CAADP at the regional level has not been a priority for EAC countries in the past. Although all partner states have endorsed the CAADP framework, the regional dimension was not properly articulated

<sup>1</sup> Similar studies are available for other African regions, including COMESA, ECOWAS and SADC

<sup>2</sup> Countries that are signatories to the East African Community Treaty are referred to as Partner States, rather than

in the national compacts. Many stakeholders see the current process to develop a regional compact as an opportunity to strengthen coherence and complementarity between the national and regional levels. Some suggestions point to the need to map insecure regions, analyse national compacts, and related regional policies on trade, infrastructure, etc, to identify gaps that could be addressed with a regional compact. The EAC Secretariat, with support from development partners, could facilitate such analysis and dialogue among national governments, national and regional farmers organization and other key stakeholders as part of the preparatory process for a regional compact.

### **Non-state actors engagement: broad based multi-stakeholder approach is essential**

In general, most non-state actors (NSA) in the region see CAADP as an opportunity to strengthen national and regional agriculture development policies, as well as provide a platform for organized and better targeted non-state actor input. Non-state actors stress the importance of adopting a multi-stakeholder approach at the beginning of the regional CAADP process. The East African Farmers Federation has been given observer status at regional Ministers council meetings, and is aware that a regional compact is being drafted. Although this is a good first step, the Secretariat has so far not given enough opportunity to non-state actors to provide input during the preparation of a regional compact document. Lessons learned from the national compact process show that it is important to clarify the mandates of relevant non-state actors- farmer organizations, private sector representatives, etc, early in the process, in order to avoid differing views later on during the implementation stage. There is consensus that the level of engagement between non-state actors and the EAC Secretariat needs to be improved significantly.

### **The role of the EAC Secretariat: regional coordination structures not fully functional**

It is generally recognized that regional organizations in Africa, including the EAC Secretariat, have weak institutional capacity and little financial resources. Most stakeholders feel the EAC Secretariat has not played a sufficiently strong role in driving CAADP, both at the national level and regional level. Many national and regional donor stakeholders see the Secretariat's institutional weakness as one of the reasons why it was unable to actively contribute to its partner states national CAADP process. In addition, the lack of clear coordinating structures for inter-departmental coordination within the EAC Secretariat is a source of concern. Many stakeholders believe that the process through which a regional CAADP compact would be developed could serve to bring together different departments and improve coordination on related sectoral policies.

### **Donor coordination: Non-existent for regional agriculture**

Development partners (DP) also have a key role in contributing to regional agricultural development. There seems to be consensus that most DPs tend to support national agriculture programmes in EAC countries as there is usually more traction, clarity and political mandate at this level than at the regional level. In comparison, donor engagement is generally less at the regional level. Because there are fewer donors working on regional agriculture, the impression is that there is less urgency and little incentive among donors to adopt a common approach. DPs admit that they do not have a structured platform through which regular exchange and discussion could take place to improve coordination on their support to regional agriculture initiatives. In general, most agree that CAADP could provide a rallying point for donors and increase interest in supporting regional agriculture goals. DPs would be obliged to align to the same principles- CAADP, Paris Declaration and Accra Agenda for Action- and develop coordination structures around the regional CAADP process. As the regional compact is being developed, DPs could discuss with

the Secretariat, partner states and other relevant actors on how best to develop a clear roadmap based on the specific needs, interests and aspirations of the region.

### **EAC-Development Partners engagement: the perfect relationship?**

In general, the Secretariat's relations with development partners is perceived as being quite good, with very little tension. Most DPs seem eager to support the broader regional agenda, and are encouraged by advancements EAC is making in terms of its regional integration ambitions. However, while on the surface the Secretariat's engagement with DPs appear less strenuous, many donors are careful to point out that this well working relationship does not always translate into visible impact for regional agriculture. With a regional CAADP compact, DPs would be required to mainstream the objectives and modalities of CAADP into their regional programmes. Space would also be created to encourage stronger engagement and dialogue with the Secretariat, and other relevant actors. Some suggest that the EAC and DPs should also be open to opportunities a trilateral EAC-DP-private sector partnership could offer to boost regional agricultural development.

### **CAADP and Regional Integration**

It is generally accepted that the EAC has made substantial progress on its regional integration agenda. Within a short period of time, regional frameworks have been launched with the aim to become a political federation. However, implementation remains a challenge. Because agriculture is inherently linked to other sectors, slow action on regional trade, infrastructure, and other related regional initiatives have consequences for regional food security and agricultural development. Most stakeholders agree that because national interests are usually stronger than regional priorities, and because the responsibility for adopting agricultural policies lies with the national governments, implementation of regional policies at the country level has been poor. Therefore, despite being a relatively homogenous REC, with higher chances of successful agricultural integration, East African countries have often resorted to measures that go against promoting integration objectives. Stakeholders stress that in order to make regional integration work, and successfully implement the food security action plan or even a regional CAADP compact, the EAC and its partner states would have to address the usual regional integration challenges, localize regional decisions at the national level, think beyond safeguarding national priorities and interests, and adopt measures that capitalize on the synergies which exist between agriculture and other cross-cutting sectors. In the elaboration process of a regional CAADP compact, progress and obstacles in cross-cutting regional initiatives need to be taken into account. In addition, synergies between agriculture, trade, infrastructure and other related sectors should be further explored if the region is to become food secure.

### **The fine art of balancing a Tripartite CAADP process**

As the Secretariat works on developing a regional EAC CAADP compact, it is also open to discussions with COMESA and SADC on the Tripartite CAADP compact. If the Tripartite compact process moves forward, the EAC suggests a two-layer graduated approach: SADC and EAC develop regional compacts based on the specificities of each region and priorities of their member states, while the Tripartite compact address shared challenges between all three RECs which cannot be dealt with separately by any one REC. However, bearing in mind that the EAC has advanced more than any other REC in the regional integration process and is working toward becoming a political union, the Secretariat is cautious about the tripartite compact. Even though it recognizes the value a tripartite approach could bring, it wants to be careful that a joint approach does not slow down EAC's progress.

At a technical level many stakeholders within the EAC (as well as COMESA and SADC) generally welcome a Tripartite approach, suggesting that it would help address fundamental issues related to overlapping RECs membership. Most stakeholders admit that managing a Tripartite compact, as well as its own regional compact would be a fine balancing act for the EAC. Given that the region already struggles with implementing its own regional agreements, harmonizing policies under a Tripartite approach with RECs that are at different stages of integration and do not always share the same objectives, might be even more challenging. Stakeholders recommend that all concerned RECs should reflect jointly on how the Tripartite compact would be implemented and what role each REC could play. Lessons could be drawn from how the Tripartite has progressed on other issues, such as customs and infrastructure. Attention needs to be paid to undertake a systematic stocktaking of on-going regional programs, which is grounded in analysis of the value of these programmes. Developing the tripartite compact should be based on consultation with key national government and REC representatives, farmers' organizations, private sector actors, development partners, as well as other CAADP processes such as the pillar frameworks and institutions and other RECs e.g. ECOWAS.

## 1. Introduction

After an initial phase focused primarily on interventions at the national level, there is growing awareness on the need to work more on the regional dimensions of the Comprehensive Africa Agriculture Development Programme (CAADP). This was also formally recognised at the 7th CAADP Partnership Platform meeting in Yaoundé, Cameroun (March 2011): of particular importance was the acknowledgement by all CAADP stakeholders that the development and implementation of regional CAADP compacts should be accelerated. This would require greater involvement of all CAADP partners at the regional level and effective harmonization of their interventions, including bringing countries together to share lessons, providing support to link regional and country processes, identifying and addressing cross-border issues.

The European Centre for Development Policy Management (ECDPM) works actively with African institutions on how to better integrate agriculture, trade and aid policies and processes. The importance of improved coordination, coherence and complementarity between agriculture, trade, regional integration processes and development partners' support is key for Africa's development agenda. While CAADP implementation at national level has gained momentum in recent years, implementation at the regional level has been slow, and progress differs between regions. For example, ECOWAS articulated and launched a regional CAADP compact, the ECOWAP and its regional investment plan (RAIP); and a well functioning regional donor group exists in West Africa for CAADP. On the other hand, COMESA, EAC and SADC started preparations but currently still lack a regional CAADP compact and structured regional donor coordination for CAADP; but they have made significant advancements on other policies and programmes which are key for food security, such as trade corridors.

The rate and degree of progress emphasise the need for lesson sharing between Regional Economic Communities (RECs). To contribute to the CAADP, ECDPM undertakes policy analysis on regional CAADP processes -and issues at stake- as well as on its linkages with the broader regional integration processes in Africa, including by facilitating deeper dialogue and lesson sharing among and between the RECs and development partners working on CAADP in various African regions. In those regions where regional CAADP compacts are being prepared or implemented, ECDPM's work included in 2011, in collaboration with RECs, development partners, and other key CAADP actors such as the NEPAD Planning and Coordination Agency (NPCA), the analysis of:

1. progress made in implementing and supporting CAADP Regional Plans and other relevant regional programmes linked to CAADP Pillars (natural resources management, trade, infrastructure, etc.);
2. how regional integration is dealt with within the CAADP (including related expectations by different stakeholders) and the linkages between CAADP and other regional programmes (and whether these are effectively utilised to achieve CAADP objectives).

This paper outlines the results of such 'mapping exercise' (ToR are presented in the Annex) for the East African Community (EAC), and is meant to stimulate further discussions among stakeholders and to contribute to the consultative processes around the development and implementation of a regional CAADP compact in the region. Indeed, a first key step is to make important information about regional strategies and plans available to everyone to contribute to multi-stakeholder ownership.

This paper, a contribution in this direction, is part of a series of publications, made possible by the financial support of the Dutch Ministry of Foreign Affairs, presenting an independent assessment by ECDPM on the status of regional approaches to food security. It is the outcome of: extensive and regular consultations and interviews with stakeholders in the regions (including RECs Secretariats, the NPCA, government officials,

donors, civil society, the private sector, and other experts from regional institutions); ECDPM's different types of informal contributions to the formal CAADP-related processes; as well as deep investigation of the existing literature (which is already very extensive on regional integration and growing rapidly on CAADP).

Section 2 of this paper describes the status of discussions towards developing a regional CAADP compact for the EAC and its partner states, highlighting the role played so far by key involved stakeholders and the relationship between food security processes and the overall progress on regional integration. Section 3 analyses other regional initiatives relevant to food security and the possible synergies between CAADP and such policies and programmes. Taking into account these existing challenges and opportunities, Section 4 presents some ideas and recommendations on the way forward for regional food security plans, particularly in terms of what each actor could do to contribute positively and what features could characterize a regional CAADP compact in EAC.

## 2. The CAADP in the EAC

### 2.1. Progress made in implementing and supporting CAADP at the regional level: Lessons and challenges

#### **Regional agricultural development in East Africa: Finding a place for CAADP**

Agricultural development has always been recognized as a key priority for the East African region. The foundational Treaty establishing the EAC dedicated specific provisions calling for regional cooperation among Partner States<sup>2</sup> to rationalize agricultural production, harmonize agriculture policies, and establish joint programmes for regional trade, climate change and natural resource management<sup>3</sup>. The EAC Agriculture and Rural Development Policy (EAC-ARDP) guides sectoral initiatives and serves as the common agriculture policy for the region. The EAC ARD Strategy provides detailed actions and interventions for the implementation of the policy over a twenty-five year period, from 2005 to 2030. In combination, these documents provide the fundamental framework to guide regional agriculture initiatives in East Africa.

The EAC has over time developed other policy documents that seek to address the agriculture and food security needs of the region. Most recently, the EAC Development Strategy for 2011-2015 was launched, outlining broad strategic goals and specific targets for a range of sectors. Building on progressive achievements<sup>4</sup> and challenges within the last ten years of integration and in line with the aspiration to become a political federation, EAC plans to become an industrialized, competitive player in Africa and globally over the next decade<sup>5</sup>. As part of this agenda, agriculture and food security is identified as a priority area. In order to progress in this area, the EAC proposes to use the EAC Agriculture and Food Security Action Plan, introduced in 2010, as the key instrument to provide strategic direction for regional agricultural programmes and reach regional food security objectives.

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<sup>2</sup> Countries that are signatories to the East African Community Treaty are referred to as Partner States, rather than member states.

<sup>3</sup> East African Community Treaty: Chapter 18 (Art. 105-110)

<sup>4</sup> July 2000- EAC Treaty was ratified by founding partner states- Kenya, Tanzania and Uganda, and entered into force; January 2005- Becomes an operational Customs Union; July 2007- Rwanda and Burundi join as full members of the EAC; July 2010- EAC Common Market takes effect; 2011- negotiations for a monetary union begin. More information on the milestones in EAC's integration process: <http://www.eac.int/about-eac/eac-history.html?start=1>

<sup>5</sup> EAC.2011. EAC Development Strategy for 2011/12 – 2015/16. EAC: Arusha

These policy frameworks and initiatives on agriculture were sequentially put forward and appear to be interconnected and linked to broader regional development goals. The recognition by EAC of the importance of a greater focus on the agriculture sector cannot be more timely. In addition to growing climate change challenges and recent food price volatility, the Horn of Africa food crisis has brought food security concerns to the forefront. In response, regional agriculture policy makers convened a meeting in August 2011 to discuss fast tracking the Food Security Action Plan and implementing a regional Food Balance Sheet (RFBS) to manage food availability in the region<sup>6</sup>.

It is clear that the EAC has a vision for its regional agriculture development and has taken good first steps to establish frameworks to guide its regional interventions for the sector. Although the foundational policy documents were developed before CAADP gained momentum, their underpinning goals are seen as compatible with the core principles of CAADP. However, the region has been slow in taking forward the regional dimension of CAADP. According to some non-state actor perspectives, the EAC has been more interested in creating and driving its own initiatives, without giving enough consideration to the added value CAADP could provide if incorporated into ongoing regional processes.

#### **Box 1: CAADP in brief**

CAADP is the agricultural programme of the New Partnership for Africa's Development (NEPAD), which is a programme of the African Union. Established by the African Union (AU) Assembly in 2003, CAADP's goal is to eliminate hunger and reduce poverty through agriculture. To do this, African governments have agreed to increase public investment in agriculture by a minimum of 10 percent of their national budgets. CAADP identifies four key pillars for food security improvement and agricultural investment: (1) Sustainable Land and Water Management; (2) Market Access; (3) Food Supply and Hunger; and (4) Agricultural Research.

The CAADP is centered around the definition of national and regional plans ('Compacts'), an agreement between all stakeholders (public, private as well as donors) serving as a framework for partnerships, alliances, and dialogue to design and implement the required policy interventions and investment programmes. The formulation of national and regional investment plans is one of the most important activities to implement CAADP after the definition and signature of the Compact (to date more than 25 Countries in Africa have signed the CAADP Compacts, 18 have reviewed Investment Plans and 12 have convened Business Meetings; for more information: [www.caadp.net](http://www.caadp.net))

CAADP therefore is not a (donors') programme, it is a common framework for stimulating and guiding national, regional and continental initiatives on enhanced agriculture productivity and food security which each region and country can develop and implement as preferred. CAADP is a very advanced attempt at fully implementing the Paris Declaration and Accra Agenda for Action on Aid Effectiveness. It is difficult to identify similar partnerships, even sector-wide approaches (SWAps), that can claim to have the same: degree of African ownership (at political-bureaucratic-experts level), including at national level (unlike other AU/regional initiatives such as FTAs); robust plans for mutual accountability (serious monitoring and evaluation is built into CAADP); outreach to other sectors (trade, capacity development, natural resources, infrastructure, research and technology, safety); level of ODA predictability (substantial commitments of funds and relatively advanced alignment by donors) and regular donor coordination (e.g. headquarters focal points work together via teleconference every other week to task-divide and harmonize their CAADP activities).

<sup>6</sup> 3rd meeting of the Sectoral Council on Agricultural and Food Security meeting 15-19 August. Available at: <http://www.eac.int/about-eac/eacnews/740-sectoral-council-on-agriculture-and-food-security-ongoing-in-arusha.html>

The clear linkages between trade and agriculture within CAADP are confirmed by the fact that around thirty percent of the investment needs included in national CAADP investment plans formulated so far relate to the development of market access and value chains. Weaknesses remain, with CAADP criticized by some stakeholders for lacking sufficient: private sector involvement; regional level implementation; and clarity on the continental-regional-national nexus.

Formulation and implementation of CAADP-related initiatives is driven by a broad range of actors. CAADP being a continental framework, the African Union, and particularly the NPCA, is tasked with its coordination. Designated Pillar Lead Institutions oversee and support work that falls under the four CAADP pillars. RECs facilitate the formulation and implementation of a regional compact and a regional agricultural investment plan, while supporting their member states with CAADP initiatives on the national level. At the national level, governments facilitate the formulation and implementation of a national compact and investment plan. Bilateral and multilateral donors provide financial and technical support to CAADP processes and investment.

One specific financial donor vehicle to support the CAADP processes (not investments), is the CAADP Multi-Donor Trust Fund (MTDF) hosted at the World Bank. The MDTF aims to strengthen institutional capacities of African drivers of CAADP, particularly on the continental and regional level, to effectively lead, implement, monitor and evaluate CAADP processes. Beneficiaries of so-called 'Child Trust Funds' include the NPCA, Pillar Institutions and the RECs. Among the contributing donors are UK's DFID, the European Union, France, Ireland, the Netherlands and USAID.

Although CAADP has progressed steadily within the region, most success- in terms of developing compacts- has been achieved at the national level: all EAC partner states have signed national compacts and are at different stages of the national agricultural investment plans (NAIP) process<sup>7</sup>. However, national stakeholders point out that the Secretariat did not play an active role in the country CAADP compact process; instead the Common Market for Eastern and Southern Africa (COMESA) was the main REC supporting EAC countries in developing national CAADP compacts by jointly organizing workshops with the NEPAD Planning and Coordinating Agency (NPCA), and regional farmer representatives to sensitize government officials on the value of the CAADP.

Until recently, the Secretariat did not pay much attention to the possibility of exploring a regional CAADP compact. Despite the slow start, the perception towards CAADP is gradually changing. The Secretariat put forward a proposal to develop a regional CAADP compact, during the EAC Sectoral Council on Agricultural and Food Security meeting in August 2011. They were given the go ahead by sectoral ministers to further develop an EAC regional compact. The Secretariat proposes a compact that adopts a bottom-up approach that builds on the existing national compacts and addresses regional challenges shared among partner states. They also propose to integrate existing and emerging regional initiatives into the regional compact. For example, the Food Security Action Plan will feature as a key instrument to promote the advancement of the CAADP agenda in East Africa. The Secretariat has planned a meeting of experts on CAADP in April 2012, to present the first draft of the EAC regional CAADP compact. Though the regional compact is still at a conceptual stage, the Secretariat has indicated that it is keen to keep key stakeholders in the loop and proposes to draw lessons from other regions, such as West Africa's ECOWAP. On this basis, the East

<sup>7</sup> As at June 2011 all partner states- Kenya, Uganda, Rwanda, Burundi and Tanzania have signed national CAADP compacts; Rwanda, Uganda and Kenya's NAIPs have undergone technical review, Burundi is in the progress of completing its NAIP, while Tanzania is on the verge of developing its NAIP; Business Meetings have been held in Rwanda, Uganda and Kenya. And Rwanda secured GAFSP funds in 2010. (Action Aid. 2011. *CAADP Update*. Issue 1)

African Farmers' Federation (EAFF) was given observer status at the Sectoral Council meetings<sup>8</sup>. However there is concern, especially from non-state actors, regarding the extent to which the Secretariat can deliver on the objectives mentioned above. So far, there has not been enough consultation with relevant actors on what regional issues the compact should address, what the roles and responsibilities of different actors are, or how the regional level can complement already existing national compacts.

At the same time, discussions are underway with COMESA and SADC to develop a "Tripartite" CAADP compact<sup>9</sup> within the framework of the Tripartite arrangement<sup>10</sup>. The Tripartite CAADP process is envisaged as a trilateral COMESA-EAC-SADC approach to implement CAADP principles across the entire Tripartite region. Some stakeholders' initial comments suggest there is a possibility for a two-level approach where the EAC develops its own regional compact and commits to the Tripartite compact. At this point, there is no certainty that all three RECs will rally around this idea. Most stakeholders recommend that the EAC, national governments, and national and regional non-state actors jointly define how best CAADP should be implemented at the regional level. The guiding criteria being that the regional compact provides added value to existing initiatives, addresses the loopholes and weaknesses of current regional agricultural programmes, ensures coherence and complementarity with national compacts and other sectoral policies. The complex and challenging nature of the agriculture sector requires well thought out efforts. Even more challenging is the possibility of a two-pronged compact process: launching a regional EAC compact and being part of a tripartite regional compact would be a tough balancing act.

### **National-regional nexus: Can rhetoric become reality?**

Over a period of three years, all EAC partner states have endorsed the CAADP framework, though progress across the region has not been even: Rwanda was the first African country to sign its national compact in 2007 and complete the roundtable process while Tanzania and Kenya only signed their compacts in 2010. Some stakeholders credit the progress to the countries' desire to drive agricultural transformation within their borders. Yet others claim that most countries view CAADP as a means to access additional funds for their agriculture sector. They recognize that in addition to the Multi Donor Trust Fund, being CAADP-compliant could help inject much needed finances through access to the Global Agriculture and Food Security Programme (GAFSP), as happened in the case of Rwanda. However, the strong focus on national CAADP processes reflects the priority partner states give to national agriculture development in comparison to promoting the regional agenda. Although there has been no comparative analysis, a lot of stakeholders believe that most national agriculture strategies are generally inward looking, concentrating on issues within national borders. In addition, though regional food security goals are proclaimed in every policy document and by partner states, reality shows a different picture. As soon as a situation such as a food crisis arises, governments swiftly take actions that address national concerns, sometimes at the detriment of neighbouring countries, and essentially shunning previous regional commitments. Stakeholders acknowledge that EAC countries still face food security challenges: Kenya is food deficit<sup>11</sup>, Tanzania has food surplus in the south, but an erratic food policy imposing export bans off

<sup>8</sup> EAC Press release: EAFF visits EAC Secretariat. Available at: <http://www.eac.int/about-eac/eacnews/519-eaff-visits-eac.html>

<sup>9</sup> This paper refers to a possible 'tripartite' CAADP compact, or any 'tripartite' food security initiative, only in a broad sense, as joint approaches by the three RECs, i.e. 'trilateral'; without any judgment on the merit of food security being tackled through the same processes and steps that the three RECs chose for the Tripartite FTA. Such steps, the political decisions behind them and their timing will depend on the governments of the three RECs member states.

<sup>10</sup> The COMESA-EAC-SADC Tripartite was created in 2006 to assist in the process of harmonising programmes and policies within and between the three RECs and to advance the establishment of a COMESA-EAC-SADC Free Trade Area (FTA), trade corridors, infrastructure development and industrial development.

<sup>11</sup> Mbogo, S. 2010. *Why achieving food security has eluded Kenya for so long*. 15 October 2010, Business Daily Africa. Available at: <http://www.trademarksa.org/node/2175>

and on<sup>12</sup>, and poor infrastructure connecting areas of surplus to deficit areas in the north<sup>13</sup>, Burundi has food deficits, Rwanda has been successful in undertaking food security actions, but recently requested exemption from taxes on sugar imports from outside the EAC<sup>14</sup>, Uganda has food surplus for certain products and have been successful in trading with Kenya.

This is further compounded by the fact that in general, agriculture ranks relatively low on most partner states' priority lists. Despite all partner states ratifying the Maputo Declaration<sup>15</sup>, most still fall short of achieving these commitments. National budgets for 2011/12<sup>16</sup> continue with the same trend: Tanzania's direct allocation to agriculture accounts for only 6.8 percent of the government's 2011/12 budget<sup>17</sup>; Burundi's allocation stands at 6 percent<sup>18</sup>; Uganda's allocation has remained less than 5 percent for the past two decades<sup>19</sup>, and does not go beyond this threshold in the latest budget<sup>20</sup>. Kenya and Rwanda are the exceptions: for 2012, Kenya allocates about 11 percent of total ministerial expenditures to agriculture<sup>21</sup>. Rwanda exceeded the 10% Maputo target with its 2010/11 budgetary allocations and has further increased the previous amount by five percent, from RWF 64 to RWF 67 billion in the 2011/ 12 budget<sup>22</sup>.

The relative importance of agriculture is also replicated at the regional level. The EAC budget for 2011/12 also reveals that less than one percent of Community's budget will go directly to the promotion of agriculture and food security<sup>23</sup>. While budget allocation is not the only measure of agriculture performance, it does show to a large extent where the governments' and the REC's priorities lie.

Most actors, including national stakeholders and regional donors are of the opinion that the idea of a regional CAADP compact might not have been a priority for national governments. In addition, because the EAC Secretariat was not strongly involved in the preparation of its partner states' CAADP compacts, the regional dimension was not properly articulated in the compacts. Many stakeholders see the current process to develop a regional compact as an opportunity to strengthen coherence and complementarity between the national and regional levels. They agree that CAADP would bring added value to regional efforts, but warn that enforcing regional agreements at the national level is crucial for achieving more than marginal results. Some suggestions point to the need to facilitate policy dialogues and consultations, in order to analyse national compacts, and related regional policies on trade, infrastructure, etc, and identify

<sup>12</sup> Odhiambo, A. 2011. *Tanzania exports ban heralds rise in maize prices*. 20 May 2011, Business Daily Africa. Available at: <http://www.trademarksa.org/news/tanzania-exports-ban-heralds-rise-maize-prices>

<sup>13</sup> <http://allafrica.com/stories/201106141513.html>

<sup>14</sup> Majyambere, G. *Rwanda pushing for duty-free sugar imports*. 7 July 2011, All Africa.com Available at: <http://allafrica.com/stories/201107070284.html>

<sup>15</sup> An agreement to increase investment in agriculture to at least 10 percent of budgetary allocation and boost agricultural productivity by at least 6 percent per annum

<sup>16</sup> Partner states budgets available at:

[http://www.eac.int/news/index.php?option=com\\_docman&task=doc\\_download&gid=194&Itemid=152](http://www.eac.int/news/index.php?option=com_docman&task=doc_download&gid=194&Itemid=152)

<sup>17</sup> Republic of Tanzania: Budget statement for FY 2011-2012

<sup>18</sup> Summary report of the Senate plenary session of March 30, 2011 on the presentation of programmes of activities for the year 2011 by the Minister of Agriculture and Livestock and that of Public Security. Available at: <http://www.senat.bi/spip.php?article2408>

<sup>19</sup> Khaukha, M. 2011. *Agriculture in East Africa*. Posted on 13 November 2011. Available at: <http://www.handsofactionblog.com/2011/11/13/agriculture-in-east-africa/>

<sup>20</sup> Republic of Uganda: Budget statement for FY 2011-2012

<sup>21</sup> Republic of Kenya: Budget statement for FY 2011-2012

<sup>22</sup> Majyambere, G. 2011. *Rwanda's Agriculture Budget Increased by Five Percent*. 11 May 2011, All Africa.com. Available at: <http://allafrica.com/stories/201105110759.html>

<sup>23</sup> US \$604,260 is allocated to the promotion of Agriculture and Food Security and implementation of Climate Change Action Plan, out of a total budget estimate of US \$109.7 million; Budget Estimates for the Financial Year 2011/2012. Budget speech and presentation to the East African Legislative Assembly, by Hon. Hafsa Mosi, Chairperson of the Council of Ministers of the East African Community and Minister for East African Community, Burundi. 19 May 2011. EALA Chambers: Arusha, Available at: [http://www.eac.int/news/index.php?option=com\\_docman&task=doc\\_download&gid=194&Itemid=152](http://www.eac.int/news/index.php?option=com_docman&task=doc_download&gid=194&Itemid=152)

gaps that could be addressed with a regional compact, and overall identify what is needed as regional level action to contribute to EAC food security objectives. The EAC Secretariat, with support from development partners, could facilitate such analysis and dialogue among national governments, national and regional farmers organization and other key stakeholders as part of the preparatory process for a regional compact. In addition, achieving regional agricultural transformation will require that investment in the sector be stepped up with government and regionally owned resources, in addition to private sector investments and development partners support.

### **Non State Actors engagement: broad based multi-stakeholder approach is essential**

One of the crucial 'process' dimensions of regional food security plans is 'ownership' by stakeholders, and arguably farmers and other private sector actors are the most important groups to be involved in the design and implementation of these policies and investments, both as key contributors to food security and as beneficiaries of support programmes.

Farmers in EAC countries are organized in several ways- co-operatives, farmers' associations, etc, depending on what platform best addresses their concerns and interests. In general, some prominent national farmers' organizations (FOs) are involved in policy discussions with their respective government, and are generally interested in engaging more in the CAADP process. However, they have limited capacity for policy analysis, weakening their position to influence policy making. Participation is also a problem, because in some countries, while the government recognizes the importance of FOs, there is no clear framework for involving non-state stakeholders in the process of policy formulation, implementation or monitoring and evaluation<sup>24</sup>. NSA representatives engaging with the government do not always convey the interests of other smaller NSAs. Information related to agricultural policies does not always trickle down to grass-root farmers; in some cases local farmers are not even aware of the common EAC agriculture and rural development policy and strategy<sup>25</sup>.

At the regional level, the East Africa Farmers Federation (EAFF)<sup>26</sup> represents EAC farmers. The EAFF is concerned with assisting in developing national FOs' capacity to contribute to subsequent stages of the CAADP process (e.g. investment plans), raising awareness around CAADP, especially among grass root farmers, lobbying for increased government investment in the agriculture sector and ensuring that the agricultural policy framework at the regional level is compliant to CAADP principles<sup>27</sup>. As the regional focal point for farmers, the EAFF has been active in providing position statements on the CAADP process, particularly at the national level<sup>28</sup>. The EAFF also supported, alongside COMESA, the development of national CAADP compacts for most EAC countries.

As the possibility of a regional CAADP compact emerges, the Secretariat has kept the EAFF in the loop by inviting the regional FO to discussions on food security and climate change during the Heads of EAC Partner States Summit in December 2010, and giving them observer status at the Agricultural Ministers sectoral meetings. Although this is a good first step the EAFF has complained that the Secretariat has so far not given enough opportunity to non-state actors to provide input during the preparation of the regional

<sup>24</sup> Mkunda, J. J. 2008. *The role of national agricultural policies in regional integration process and the participation of farmer organizations in formulation and implementation. Case study: Uganda, Tanzania and Rwanda.*

<sup>25</sup> Mkunda, J. J. 2008. *The role of national agricultural policies in regional integration process and the participation of farmer organizations in formulation and implementation. Case study: Uganda, Tanzania and Rwanda.*

<sup>26</sup> The Eastern African Farmers' Federation was formed in 2001. It has eight members: Burundi, Democratic Republic of Congo, Eritrea, Ethiopia, Kenya, Tanzania, Uganda and Rwanda. Djibouti and Sudan will soon join.

<sup>27</sup> The CAADP regional forum: Concept note

<sup>28</sup> EAFF. 2011. *Prioritization of Agricultural Development Strategies in Eastern Africa Sub Region.* Presented at the FAO sub-regional office for Eastern Africa meeting 16-18 Feb. 2011, Addis Ababa

compact document. The EAFF stress the importance of adopting a multi-stakeholder approach at the beginning of the regional CAADP process. According to them, lessons learned from the national compact process show that it is important to clarify the mandates of relevant non-state actors- farmer organizations, private sector representatives, etc, early in the process, in order to avoid differing views later on during the implementation stage. Most non-state actors view CAADP as an opportunity for more for organized and better targeted non-state actor input into regional agriculture policies and strategies.

While EAFF engages with other regional organizations such as COMESA, IGAD, ASARECA and ACTESA, they indicate that they would like to work closely with the EAC on CAADP, as it's a more uniform region and its members share many similarities. Given the region's vulnerability to famines and food shortages, the EAFF supports the formulation of an EAC regional food security action plan and the launch of a regional food reserve by 2012. Other regional representation, such as the Eastern and Southern Africa Small Scale Farmers Forum<sup>29</sup> (ESAFF) also supports a more comprehensive regional approach, recently calling on the EAC, SADC and COMESA to domesticate CAADP at the regional level by signing a regional compact similar to the ECOWAP<sup>30</sup>. These regional stakeholders call for stronger commitment and action from the regional level that allows farmers, especially smallholders to move beyond the basic subsistence level. The EAFF emphasizes strengthening regional trade and markets based on a value chain approach as the way forward for EAC farmers.

Most stakeholders also agree that more involvement of private sector is needed. But this requires that the EAC and partner states create a conducive environment for public – private dialogues and to attract private investment in the agriculture sector. Private sector has started to partner with governments and development partners to finance infrastructure and is becoming more active in some other sectors. Yet, private investment in agriculture has so far not been initiated at a similar scale as in the infrastructure sector, mostly due to the perceived long-term low return on investments and perceived high risks for agricultural projects<sup>31</sup>.

All stakeholders agree that further improvements of NSA-government-EAC engagement and stronger involvement of private sector is needed. Both national and regional farmers' organizations stress that consensus building and resolving conflicts of interest between governments and NSAs could be dealt with best through policy dialogues.

### **The role of the EAC Secretariat: regional coordination structures not fully functional**

Another key actor in the regional food security processes is the EAC Secretariat. It is generally recognized that regional organizations in Africa, including the EAC Secretariat, have weak institutional capacity and little financial resources. The Secretariat is supported through fixed contributions from partner states and capacity/ technical assistance from development partners (DPs). The agriculture department is no different. Some stakeholders mention that the current institutional structure of the Secretariat is neither efficient nor sufficient to support implementation of regional strategies and programs. An institutional restructuring is planned to transform the EAC Secretariat to a Commission, with Commissioners from each partner state, to strengthen the mandate of the REC and address the regional challenges better.

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<sup>29</sup> The ESAFF is a network of small holder farmers across 13 eastern and southern Africa countries. The Forum advocates for changes in policy and practice for the benefit of small-scale farmers in the region. More information available at: [www.esaff.org](http://www.esaff.org)

<sup>30</sup> ESAFF. 2011. *ESAFF Declaration on the current state of food and agriculture policy in eastern and southern Africa*. Available at: [http://www.esaff.org/esaff\\_details\\_view.php?news\\_ID=82](http://www.esaff.org/esaff_details_view.php?news_ID=82)

<sup>31</sup> CAADP Update. 21 June 2011 Trade Mark South Africa. Available at: <http://www.trademarksa.org/news/caadp-update>

All partner states have a Minister of Integration, who is responsible for regional cooperation and implementation of the regional strategy and Council of Ministers' decisions. The Council of Ministers comprises of the Ministers of Integration and other Ministers decided by the partner state. They meet through the Coordination Committee and Sectoral Committee. National ministers of all sectors meet twice a year to agree on regional programs and plans, including the ministers of agriculture. However, there is no clear coordinating structure for inter-departmental coordination within the EAC Secretariat, though policies and strategies initiated by the relevant department are shared with others for comments.

Most stakeholders feel the EAC Secretariat has not played a sufficiently strong role in driving CAADP, both at the national level and regional level. Many national and regional donor stakeholders see the Secretariat's institutional weakness as one of the reasons why it was unable to actively contribute to its partner states national CAADP process. In addition, the lack of clear coordinating structures for inter-departmental coordination within the EAC Secretariat is a source of concern. Many stakeholders believe that the process through which a regional CAADP compact would be developed could serve to bring together different departments to optimize synergies through a joint planning process and improve internal coordination on related sectoral policies.

### **Donor coordination: Non-existent for regional agriculture**

Most development partners tend to support national agriculture programmes in partner countries, as there is usually more traction, clarity and political mandate at this level than at the regional level. In comparison, donor engagement is generally less at the regional level, but a number of regional agriculture development projects are being implemented by various DPs<sup>32</sup>. Regional support could be in the form of direct funding to programmes initiated by DPs which are aligned to the EAC's identified priorities. In addition to bilateral interventions, a number of DPs provide financial support through the EAC Partnership Fund<sup>33</sup>. Through this basket fund mechanism, DPs can make annual contributions to support EAC projects and programmes that are geared towards regional integration<sup>34</sup>. The Partnership Fund represents only a small part of DP regional funding. Some donors feel that the EAC Secretariat has managed the Fund since 2006, despite its weak institutional capacity. Some stakeholders claim that DPs have increasingly gained confidence in the Secretariat's management skill as it has improved over time. A steering committee comprising of EAC representatives and DPs jointly identify priority areas of support. The committee holds meetings to approve activities and the budget. The role of the EAC Secretariat is to guide the decisions made on what is funded and not funded. The steering committee is the closest to a donor-working group, but focuses on general rather than thematic areas of work. Many stakeholders see the Fund as an efficient funding mechanism, which could be a first step toward strengthening donor coordination in the region. In addition, the steering committee is perceived as a good opportunity for collaboration between DPs and the EAC.

Another recent option for strengthening regional interventions is the TradeMark East Africa (TMEA) approach. TMEA is an independent organization, but receives funds from various donors to facilitate mostly

<sup>32</sup> For example, the EU project on Avian Flu regional preparedness response, USAID-GIZ-FAO joint food security program; FAO Trust Fund for food security; FAO support to strengthening capacity for statistics on food security.

<sup>33</sup> [http://www.eac.int/rmo/index.php?option=com\\_content&view=article&id=165&Itemid=233](http://www.eac.int/rmo/index.php?option=com_content&view=article&id=165&Itemid=233)

<sup>34</sup> EAC. 2011. *Minutes of the 13th Partnership Fund Steering Committee Meeting*. 15th - 16th March 2011 Arusha, Tanzania.

For the fiscal year 2010/2011, donors contributed \$8.02 million. This was spent on support to: the implementation of Common Market Protocol; laying the foundation for the East African Monetary Union, the EAC Secretariat communication, publicity and outreach programme; the Comprehensive sensitization programme (support to implementation of sensitization programmes in Partner States, Common Market as a priority); implementation of the proposed Institutional Framework, Capacity Building of EAC; studies (new and ongoing studies & implementation of study findings); trade facilitation in the EAC; cross cutting issues; and the resource mobilization office.

trade and infrastructure related initiatives. Through TMEA, DPs can pool funds to support the implementation of trade facilitation, capacity development and institutional support programmes, which have both national and regional components<sup>35</sup>. Some stakeholders feel that the TMEA approach could ensure accountability among donors, help avoid fragmented support to the region's trade sector and promote aid effectiveness. But others are concerned about TMEA's degree of independence, as it is perceived as being 'DFID' heavy- in terms of the strong link the company has to DFID<sup>36</sup>. The EU also supports regional integration programmes through the Regional Integration Support Programme (RISP). However, as the EAC Secretariat is not Contribution Agreement compliant, funds are channelled through COMESA.

DPs admit that they do not have a structured platform through which regular exchange and discussion could take place to improve coordination. Some working groups exist<sup>37</sup> for some sectors, but most do not operate effectively. While general exchange takes place through the Partnership Fund's steering committee, sectoral coordination is virtually non-existent.

Cross-sectoral donor coordination is relatively non-existent as well. However some donors implement regional programmes that are interlinked with themes of food security, trade, natural resource management, infrastructure, etc. For example USAID's EAC Feed the Future programme, Competitiveness and Trade Expansion Program (COMPETE), Trade Mark East Africa (TMEA) trade and infrastructure initiatives, etc, contributes to the synergies across different sectors. To facilitate coordination on overall development projects and programmes within the region, the EAC Secretariat proposes establishing an EAC Development Fund. Instead of several streams of finance, DP funds could be pooled and then redistributed to key regional priorities. But how this would be reconciled with other existing funds, such as the Partnership Fund is not yet thought through. Comparisons are also made to TMEA, where certain DPs contribute towards trade and infrastructure related projects. However, there are concerns that TMEA is sort of a 'competitor' to the current partnership fund and the future development fund, because some donors are requesting to channel funds on trade related activities through TMEA rather than the regionally-owned partnership or development funds.

Regarding regional agriculture, DPs mostly work independently, sometimes through joint programmes, but overall there is very little formal exchange or cooperation. Most DPs prefer to work bilaterally with the EAC or partner states but less through joint programming. National agriculture donor working groups (DWGs) are present at the national level but none exist at the regional level. To an extent this follows the pattern of what is prioritized by the REC and its partner states. Compared to agriculture, trade and infrastructure development are high on EAC's agenda consequently attracting a great deal of support from DPs. Because there are fewer donors working on regional agriculture, there is less urgency and little incentive to adopt a common approach or coordinate with other donors. Instead DPs identify components of the existing EAC frameworks- regional agriculture policy, strategy and the food security action plan, to which they could provide support.

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<sup>35</sup> Trade corridor facilitation- Infrastructure investment, One Stop Border Post (OSBP); Capacity development for private sector, CSO, and public sector involvement for improving transport corridors; Institutional support to the EAC Secretariat- provision of consultants/ technical expertise for procurement procedures, auditing, and financial management; helped establish the Tripartite unit within EAC (Each REC which is part of the Tripartite agreement is expected to set up a Tripartite Unit) and pays for the mainstream staff in the Unit for policy coordination, trade policy and corridor development; Assisting to set up an M&E system which will be connected to all ministries of the integration in EAC Partner States (PS), to help implement the decisions made by the Council of Ministers.

<sup>36</sup> Particularly as TMEA was launched by DFID

<sup>37</sup> CSO-Private Sector donors roundtable: Organized by GIZ, has been meeting for about 2 yrs, but not well functioning; Road infrastructure donor working group: JICA and EC are involved; Trade, there are discussions between TMEA, USAID & GIZ to form a working group, particularly on Non-Tariff Barriers.

CAADP on the other hand could provide a rallying point for donors and increase interest in supporting regional agriculture goals. DPs would be obliged to align to the same principles- CAADP, Paris Declaration and Accra Agenda for Action- and develop coordination structures around the regional CAADP process. There is general consensus among development partners and even regional farmer representatives that in addition to the food security action plan, a regional CAADP compact would be the stimulus needed to restructure how donors work at the regional level and with EAC.

In the event that the EAC launches a regional compact, stakeholders recommend<sup>38</sup> that DPs discuss with the Secretariat, partner states and other relevant actors on how best to develop a clear roadmap based on the specific needs, interests and aspirations of the region. The starting point would be establishing a regional coordination platform solely dedicated to regional agriculture and regional CAADP issues, similar to the ECOWAS regional agriculture donor-working group. This would ensure that the EAC Secretariat has a counterpart to interface with in addition to bilateral engagements with DPs. Beyond supporting the process of developing the regional compact and investment plans, it is recommended that the DP working group and the Secretariat adopt a broad lens which recognizes the synergies between agriculture and other cross-cutting sectors, e.g. trade, infrastructure, etc.

### **EAC - Development Partners engagement: The perfect relationship?**

EAC-Development Partners relations is generally perceived as being quite good, with very little tension. Most DPs seem eager to support the regional agenda, and are encouraged by the fast progress/advancements the REC is making. Both parties seem to agree that to a large extent, the EAC takes the lead in identifying priority areas to which DP interventions are usually aligned. DPs are then given liberty to identify what priority areas are of more interest to them. While this appears to be a well working system where the EAC presents a priority 'shopping list', and the DPs indicate what components of the list they can support based on their mandate and capabilities, both parties are not always satisfied with the end results. The EAC Secretariat gets flustered when DPs choose to fund priorities that are ranked lower than the most urgent ones on the list. The Secretariat states that this raises concerns and challenges for proper sequencing of the regional process.

On the other hand, some DPs feel that the EAC's approach to prepare and share its 'shopping list' of key priorities with different donors is done to choose the best offer and funding package. Competition to support EAC is very high among the DPs, as they scramble to offer their services. In some cases, DPs end up supporting similar initiatives. Overlapping and duplicated support is a major challenge for donors. Some DPs are of the opinion that the Secretariat is less concerned about how donors deal with their coordination issues as long as the EAC gets the support it needs. This situation has prompted internal reflection among certain DPs, to improve coordination by initiating the establishment of thematic/ sectoral working groups among donors in the region.

In general, DPs are not obliged to report to the EAC Secretariat. Therefore, although the EAC is aware of most donor support, communication gaps exist. The Resource Mobilization Department, which is in charge of managing external relations of the Secretariat, has established a monitoring and evaluation sub-department to monitor and track progress in implementation of projects and programs, but has very weak capacity to follow up. Essentially, the Secretariat lacks financial and human resource capacities to engage better with external partners. In addition, as a Secretariat, it lacks the mandate to sanction partner states

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<sup>38</sup> Recommendations from the DPTT-REC meeting held during the CAADP Business meeting, Daar-es-Salaam, 8-10 Nov. 2011

regarding implementation of regional commitments. It is felt by stakeholders that these deficiencies prevent the EAC from creating enough traction at the regional level and hamper relations with DPs.

On the surface the EAC's engagement with development partners looks good, with minimal areas of tension. Yet this well working relationship does not necessarily translate into visible impact for regional agriculture. While other RECs can learn from the comparably good relations EAC has with its DPs, some suggest that the semblance of smooth, tension-free engagement could be attributed to the degree of DPs' involvement with regional agriculture, which is relatively less than in other sectors. In addition, there is the sense among some stakeholders that a lot of DPs are satisfied with marginal improvements rather than creating substantial and visible improvements to boost regional agricultural developments. In recent years, donor funds to agriculture have increased yet, without corresponding results<sup>39</sup>. This raises questions about how donor funds are spent. A breakdown of agricultural aid to sub-Saharan Africa in general reveals that the largest share of goes to agricultural research, which accounts for almost 30% of the DAC total<sup>40</sup>. Some argue that this business as usual approach needs to change. While supporting research and production aspects of agriculture is relevant, donors need to step up support to the trade, markets and access to markets components of regional agriculture.

With a regional CAADP compact, DPs would be required to mainstream the objectives and modalities of CAADP into their regional programmes. Space would also be created to encourage stronger engagement and dialogue with the Secretariat, and other relevant actors. Some suggest that the EAC and DPs should also be open to opportunities a trilateral EAC-DP-private sector partnership could offer to boost regional agricultural development.

## 2.2. CAADP regional plans and linkages with the overall framework for regional integration

Regional integration is at the core of all of the EAC's regional strategies and programmes, including the agricultural policy and strategy, and other regional agriculture frameworks. Besides addressing regional food security challenges, these frameworks have all been launched with the aim of fast-tracking the regional agenda to become a political federation. The challenge however, is the extent to which these decisions and frameworks will be implemented by partner states. National interests are usually stronger than regional priorities and the responsibility for adopting agricultural policies lies with the national governments. Therefore, despite being a relatively homogenous REC, with higher chances of successful agricultural integration, East African countries have often resorted to measures that go against promoting integration objectives. Additionally, because agriculture is inherently linked to other sectors, actions taken on regional trade, infrastructure, etc, as well as the lack of actions, have consequences for regional food security and agricultural development.

Divergent trade policy tools and non-tariff barriers greatly constrain intra-EAC trade in general. Intra-regional trade in agriculture products, which is largely informal, is particularly hampered by the inconsistencies between partner states' trade and agriculture policies. For example, while Tanzania intermittently bans the export of certain agricultural products, Uganda promotes agricultural exports to

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<sup>39</sup> Hearn, B. et al. 2010. *A preliminary analysis of European Assistance to Agriculture in Sub-Saharan Africa*. Imperial College: London. Available at: <http://www3.imperial.ac.uk/africanagriculturaldevelopment/resources/europeactivity/donorfinancial/aiddatanalyses>

<sup>40</sup> Hearn, B. et al. 2010. *A preliminary analysis of European Assistance to Agriculture in Sub-Saharan Africa*

neighbouring countries<sup>41</sup>. Without harmonization of national policies there are no checks and balances to prevent situations where food deficits lead to hunger and famine or surpluses induce low food prices and economic losses for farmers.

Stakeholders stress that in order to make regional integration work, and successfully implement the food security action plan or even a regional CAADP compact, the EAC and its partner states would have to address the usual regional integration challenges, by localizing regional decisions at the national level, thinking beyond safeguarding national priorities and interests, and adopting measures that capitalize on the synergies which exist between agriculture and other cross-cutting sectors.

### **The fine art of balancing a Tripartite CAADP process**

While assessing the relationship between CAADP regional plans and the overall framework for regional integration, it is important to take into account that SADC, COMESA and EAC in 2005 established the 'Tripartite', an umbrella organization consisting of the three RECs and overseen by a Tripartite Summit of Heads of State and Government, with the main objective of strengthening and deepening economic integration of the Southern and Eastern Africa region.

The COMESA-EAC-SADC Tripartite Task Force (TF), composed of the Secretariats of the three RECs identified four focal areas at the first Tripartite Summit in 2008 (the so-called "first generation issues"): the Free Trade Area (FTA), trade and transport facilitation and corridors, infrastructure development and industrial development<sup>42</sup>. Despite many stakeholders in the three sub-regions express doubts related to the complexity and current pace of the Tripartite integration<sup>43</sup>, all seem to agree that this is the only solution in the long-term to the problems created by the 'spaghetti bowl', since the Tripartite was created exactly to harmonise programmes, policies and regulations within and between the three RECs.

More recently, the Tripartite vision was broadened to include climate change and food security<sup>44</sup>, as "second generation issues". The Tripartite plans to address food security through trade, by supporting the market access aspects of the CAADP framework. This includes supporting infrastructure for better access to markets, promoting competitive trade policies, strengthening trade negotiations and standards capacities and facilitating business partnerships<sup>45</sup>.

In July 2010 the COMESA region decided to finalise its regional CAADP compact as part of a "Tripartite CAADP Compact"<sup>46</sup>. Arriving at Tripartite decisions and frameworks is a long drawn out process that can

<sup>41</sup> Tanzania ends export ban, but price volatility increases on East African cereals markets. 29 November 2011 Trade Mark East Africa. Available at: <http://www.trademarka.com/site/default.asp?000=1&001=23&003=news&004=593>

<sup>42</sup> COMESA-EAC-SADC Tripartite Areas of Intervention. Available at: <http://www.comesa-eac-sadc-tripartite.org/intervention>

<sup>43</sup> See for instance Mutai (in 'SADC Law Journal 2011') who concludes that "the most recent effort – in the form of the tripartite COMESA–EAC–SADC negotiations – to harmonise the trade regimes of these different bodies is promising; but, given the different objectives of the three bodies, such negotiations do not offer much hope of a short-term solution", though the three RECs agreed in June 2011 to establish Africa's largest free trade zone by 2013.

<sup>44</sup> [http://www.comesa.int/index.php?option=com\\_content&view=article&id=132:comesa-eac-sadc-tripartite-vision-to-include-climate-change&catid=6:latest-news&Itemid=59](http://www.comesa.int/index.php?option=com_content&view=article&id=132:comesa-eac-sadc-tripartite-vision-to-include-climate-change&catid=6:latest-news&Itemid=59)

<sup>45</sup> COMESA-EAC-SADC Tripartite Focal Area 4: Trade related Mechanisms. Available at: [http://www.comesa-eac-sadc-tripartite.org/intervention/focal\\_areas/trade\\_related\\_mechanisms](http://www.comesa-eac-sadc-tripartite.org/intervention/focal_areas/trade_related_mechanisms)

<sup>46</sup> The COMESA Ministers of Agriculture, Environment and Natural Resources decided that: "Given the progress made on the Tripartite Agreement between COMESA, EAC and SADC, COMESA Member States should take this development into consideration and approve further development of the COMESA Regional Compact within the tripartite framework. The Tripartite CAADP Regional Compact will have to be approved and adopted by the three RECs".

take a year or more<sup>47</sup>. The pace and direction for the Tripartite CAADP compact will be set by formal consultations and policy organs of the three RECs. While many in COMESA seem interested in moving forward with a Tripartite CAADP compact process, the EAC is in less hurry. There is debate as to whether each REC should develop a separate regional compact versus a Tripartite CAADP compact. In a way this is a result of tensions arising from countries loyalty to one REC over another. For example, some claim that partner states' commitment on regional agricultural development is deeper towards the EAC and SADC than to COMESA. Overlapping membership and multiple regional commitments is a major challenge for the Tripartite arrangement. As well, concerns that bigger regional actors like South Africa and Egypt will have greater influence over smaller EAC countries makes the Tripartite idea less appealing.

Following the EAC Sectoral Council of Agriculture and Food Security meeting in August 2011, the EAC Secretariat has informed the COMESA Secretariat of its intention to develop an EAC regional compact but is open to discussions on a Tripartite approach that complements its own regional CAADP process. However, the Secretariat is not committing to go ahead without buy-in from SADC. If the Tripartite compact process moves forward, the EAC suggests a two-layer graduated approach: SADC and EAC develop regional compacts based on the specificities of each region and priorities of their member states, while the Tripartite compact address shared challenges between all three RECs which cannot be dealt with separately by any one REC. However, bearing in mind that the EAC has advanced more than any other REC in the regional integration process and is working toward becoming a political union, the Secretariat is cautious about the tripartite compact. Even though it recognizes the value a tripartite approach could bring, it wants to be careful that a joint approach does not slow down their progress.

At a technical level many stakeholders within the EAC (as well as COMESA and SADC) generally welcome a Tripartite approach, suggesting that it would help address fundamental issues related to overlapping RECs membership. On the donors side, DFID is more advanced in terms of strategic thinking and support for the Tripartite, while others are not on board yet, and indeed a donor counterpart of the Tripartite Task Force is missing. There is a 'Friends of the Tripartite' group of donors (born in the trade sector) which could be considered in the future as basis for RECs-donors engagement for a possible Tripartite CAADP Compact, but this type of discussion is only in its infancy.

Most stakeholders admit that managing a Tripartite compact, as well as its own regional compact would be a fine balancing act for the EAC. Given that the region already struggles with implementing its own regional agreements, harmonizing policies under a Tripartite approach with RECs that are at different stages of integration and do not always share the same objectives, might be even more challenging<sup>48</sup>. Stakeholders recommend that all concerned RECs should reflect jointly on how the Tripartite compact would be implemented and what role each REC could play. Lessons could be drawn from how the Tripartite has progressed on other issues, such as customs and infrastructure. They suggest that more attention needs to be paid to undertake a systematic stocktaking of on-going regional programs, which is grounded in analysis of the value of these programmes. Developing the tripartite compact should be based on consultation with key national government and REC representatives, farmers' organizations, private sector actors, development partners, as well as other CAADP processes such as the pillar frameworks and institutions and other RECs e.g. ECOWAS<sup>49</sup>.

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<sup>47</sup> Senior officials from the RECs member states achieve full consensus among themselves, once the three Secretary Generals (Task Force) have agreed the topic is to be addressed together. The Secretariats then work out the details and related decisions to Ministers for endorsement; finally from Ministers Council the issue is referred to the Heads of State for official decisions and issuing of political directions.

<sup>48</sup> Mutai, H. K. 2011. *Regional trade integration strategies under SADC and the EAC: A comparative analysis*. In SADC Law Journal Volume One. SADC Law Journal Trust: Windhoek

<sup>49</sup> In addition to this, at the moment of publishing this paper, the Secretariat and MS of the Intergovernmental Authority on Development (IGAD) (Djibouti, Eritrea, Ethiopia, Kenya, Somalia, South Sudan, Sudan, and Uganda)

### 3. Other regional initiatives relevant to food security and possible linkages with CAADP

Under the overarching framework of the EAC Treaty, the EAC region has already put in place several policies and programmes which are very important to achieve food security objectives, in particular in the areas of agriculture and rural development, natural resources, trade, and infrastructure. In many cases these initiatives precede the CAADP. In order to assess the progress and future prospects of regional food security plans therefore it is important to analyse also the status of such policies and programmes in the EAC, as well as possible synergies with a regional CAADP compact.

As mentioned in the previous section, the regional CAADP process should build on existing sectors of regional cooperation, hence a regional CAADP compact for the EAC is likely to include actions on climate smart agriculture, trans-boundary water management and regional agricultural markets.

Assessing the progress made by other EAC policies and programmes relevant to food security, understanding their strengths and weaknesses, what major bottlenecks they encounter, is crucial to:

1. avoid duplications and **identify opportunities and challenges for the creation of synergies** with a regional CAADP approach;
2. understand whether the implementation of CAADP at regional level can build on the progress in other sectors and possibly contribute to **removing current obstacles to those existing regional initiatives**;
3. design a regional CAADP compact which includes **policies and investments that are coherent, complementary and coordinated** with those that EAC is taking forward in other regional integration areas.

This section therefore provides an overview of progress made in cross-cutting sectors which are relevant for regional agricultural development and food security in the EAC, and provides preliminary ideas about possible synergies between CAADP and other relevant regional initiatives. These synergies could be explored more in detail during the regional compact process and other multi-stakeholder dialogues, when actors will be able to discuss concretely about coherence, complementarity and coordination of specific CAADP actions within the regional compact with other existing policies and investments. In certain circumstances, even if synergies were clear, there may be other challenges to prevent their operationalisation, for instance political sensitivities, potential conflict between institutions involved in those programmes, or simply the preference by one or more EAC partner state to deal with that particular issue outside of the CAADP framework.

#### **Intra-regional Trade: NTBs and SPS challenges slow down integration process**

Regional trade integration is a core element of EAC's regional integration agenda. In order to fast-track the formation of the East African political federation, EAC Heads of States simultaneously implemented the Free Trade Area (FTA) and customs union stages, adopting the EAC Customs Union (CU) protocol by 2005, barely five years after the REC was formed. The protocol serves as the basis for regional trade policy, and provides for the removal of tariffs and all non-tariff barriers on intra-EAC trade, introduction of

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together with their international partners announced the launching of a process to formulate an IGAD regional CAADP compact. This adds to the uncertainties related to the Tripartite.

the common external tariff (CET) regime, and agreements on sensitive goods. In July 2010, the region attained Common Market status and is currently working towards establishing a monetary union by 2012.

Overall, tariff reduction among partner states has progressed considerably well. Tariff elimination was conducted progressively because partner states were at different levels of development: duties on goods from Tanzania and Uganda to Kenya, and between Tanzania and Uganda were immediately removed. Duties on some goods (Category A goods) from Kenya to Tanzania and Uganda were removed immediately, while others would be gradually reduced<sup>50</sup>. The three founding EAC partner states have also successfully negotiated and agreed on the Common External Tariff, which became operational in January 2005<sup>51</sup>. Rwanda and Burundi joined the CU in 2009 creating a bigger market for the EAC region. Intra-EAC trade has increased by almost 50% within five years since the CU commenced in 2005<sup>52</sup>. However, the direction and intensity of regional trade is largely uneven. In 2010, Kenya accounted for 60% of all intra-EAC exports, while Uganda was the major importer, mainly from Kenya. However, Uganda and Tanzania's share of intra-regional exports has gradually increased since 2005, from 13 to 20% for Uganda and 6 to 8% for Tanzania<sup>53</sup>. Rwanda and Burundi jointly account for less than 1% of the exports and about 15-19% of imports. Regional agricultural trade follows a similar pattern. Kenya imports raw agricultural products from neighbouring countries and export processed food products to the rest of the region.

The main challenges to intra-regional trade remains numerous non-tariff barriers, export bans, lack of implementation of related regional decisions at the national level and poor infrastructure. As regards export bans, this is related to the CU protocol that allows for some products to be categorized as sensitive. Partner states can therefore impose protection in the short-run to reduce the risk of any adverse effects from trade liberalization. Kenya issued an export ban on maize in 2008. Since 2007, Tanzania has intermittently imposed export bans on food staples, recently imposing a temporary export ban on food crops, especially maize, between April, May and June 2011, due to the food situation in the country leading to higher maize prices within the region<sup>54</sup>. Rules of Origin are not always complied with, providing an incentive for traders to resort to bypassing the formal bureaucracy and engage in informal trading<sup>55</sup>. In fact, about 80% of trade in agricultural produce and food in the region is informal<sup>56</sup>.

As regards Non-tariff barriers (NTBs), these include complex customs administration procedures, bureaucratic paperwork, bribes and illegal checkpoints on transit routes, different technical standards and vehicle axle requirements, among others. Cumbersome customs procedures, taxes, bribes and delays are common at most border-crossings. According to the World Bank Doing Business report, Tanzania has the most favourable environment for cross-border trade, while Rwanda and Burundi have the worst situations<sup>57</sup>. The region loses over US \$9 million annually as a result of NTBs<sup>58</sup>. A study conducted by TMEA revealed that revenue authorities at border posts withhold a total of \$300m per day in form of

<sup>50</sup> EAC Customs Union Overview. Available at:

[http://www.eac.int/customs/index.php?option=com\\_content&view=article&id=123&Itemid=78](http://www.eac.int/customs/index.php?option=com_content&view=article&id=123&Itemid=78)

<sup>51</sup> SID. 2011. *East African Integration: Dynamics of Equity in Trade, Education, Media and Labour*. SID: Nairobi

<sup>52</sup> SID. 2011. *East African Integration: Dynamics of Equity in Trade, Education, Media and Labour*. SID: Nairobi

<sup>53</sup> SID. 2011. *East African Integration: Dynamics of Equity in Trade, Education, Media and Labour*. SID: Nairobi

<sup>54</sup> <http://www.trademarksa.org/news/tanzania-exports-ban-heralds-rise-maize-prices>

<sup>55</sup> Ndomo, A. 2009. *Regional Economic Communities in Africa A Progress Overview*. GTZ: Nairobi

<sup>56</sup> Pannhausen, C. and Untied, B. 2010. *Regional Agricultural Trade in East Africa: A focus on Kenya, Tanzania and Uganda*. GTZ: Eschborn

<sup>57</sup> Pannhausen, C. and Untied, B. 2010. *Regional Agricultural Trade in East Africa: A focus on Kenya, Tanzania and Uganda*. GTZ: Eschborn

<sup>58</sup> EAC. 2010. "Non-tariff barriers costing East African businesses millions". *Jumuiya News* (a magazine of the Ministry of the East African Community), 18(July–September):30

customs bonds deposited by importers at each entry point of a partner state<sup>59</sup>. Traders at the borders pay custom bonds as a guarantee that they will adhere to the rules of importation. The bond is refunded afterward, but takes at least 90 days to get to the trader, which leads to losses from money tied up for traders. As a response to this, TMEA has developed the Alternative System for Secured Transit (ASSET), which allows traders to pay electronically at border posts and reduces time wastage.

SPS requirements and food safety standards are increasingly becoming important in the EAC. But farmers are not always aware of the procedures and/ or requirements, which are also not harmonized across partner states. Some countries, like Kenya use SPS requirements as a measure of protectionism, double-checking and re-testing imports at the border<sup>60</sup>. There are often *quid pro quo* measures employed by partner states. The EAC is currently developing an EAC SPS protocol and EAC standards on agri-products. Based on the protocol, an SPS certificate would be needed as a 'business license' for regional trade of agri-products.

DPs are quite active on supporting regional trade programmes, including some agricultural trade related initiatives such as the Alliance for Commodity Trade in East and Southern Africa (ACTESA), launched in 2008 to increase farmer productivity and incomes through trade in staple crops. This initiative is supported by a number of donors including USAID. Initial ambiguities on work plans between COMESA and ACTESA are being sorted out.

All this is very relevant for regional agriculture development and food security. In the elaboration process of a regional CAADP compact, progress and obstacles in the area of intra-regional trade need to be taken into account. Conversely, initiatives in the area of trade should take into account and seek synergies with agriculture development and food security frameworks.

### **Infrastructure development key for regional agriculture**

There is a huge potential for cross-border movement and exchange across East Africa. However, one of the major obstacles to regional integration and trans-boundary trade is the poor quality of transport infrastructure, particularly roads and railways and in some cases absence of network or interconnectivity. The EAC has identified five main corridors as strategic priority for the region<sup>61</sup>. Two transit corridors facilitate import-export activities in the region: the Northern Corridor commencing from the port of Mombasa serves Kenya, Uganda, Rwanda, Burundi and Eastern DRC; and the Central Corridor begins at the port of Dar-es-Salaam and serves Tanzania, Zambia, Rwanda, Burundi and Eastern DRC<sup>62</sup>. The region has recorded some infrastructure advancements linking Tanzania-Kenya-Uganda, but less on the Burundi-Rwanda axis. EAC partner states are expected to harmonize national transport policies and regulations to improve road quality and safety standards. However, transport costs, and delays are still high along these corridors. Due to insufficient financial resources and the cost intensive nature of regional infrastructure

<sup>59</sup> Muwanga, D. 2011. Trade Mark East Africa's new tech to unlock \$300m. 30 October 2011 East African Business Week. Available at: <http://www.busiweek.com/11/the-eac-issues/eac-news/1973-trade-mark-east-africas-new-tech-to-unlock-300m->

<sup>60</sup> Kazooba, C. 2009. "Uganda now lifts ban on Kenyan semen, beef still off the menu". *The East African*, 19–25 January, pp 1–2.

<sup>61</sup> Mombasa – Bujumbura (The Northern corridor, which is part of the Transport African Highway); Dar es Salaam – Rusumo with branches to Kigali, Bujumbura and Masaka; Biharamulo – Lokichogio; Nyakanazi – Tunduma with a branch to Bujumbura; and, Tunduma – Moyale.

<sup>62</sup> [http://www.eac.int/infrastructure/index.php?option=com\\_content&view=article&id=109&Itemid=129](http://www.eac.int/infrastructure/index.php?option=com_content&view=article&id=109&Itemid=129)

development, EAC partner states have difficulty to address the underlying challenges. Development partners can therefore play a key role in mobilizing funds for development of the corridors<sup>63</sup>.

Under the Tripartite, the EAC Heads of States requested an action plan to improve the efficiency of these corridors to facilitate trade, lower costs for businesses, advance regional integration. In 2009, USAID and DFID agreed to fund a Corridor Diagnostic Study to address transport inefficiencies in East Africa's Northern and Central Corridors and make recommendations for improvements in infrastructure to facilitate and enhance trade. According to the study, the EAC could reduce transport costs by an average of 28% and save an estimated US \$1.9 billion in annual transport costs, if proposed priority projects are implemented by 2015<sup>64</sup>. It was noted that political support, public-private sector investment partnerships, and harmonization of trade and transport policies are required to achieve this goal.

There is a gradual change in the thinking of regional actors, to become less dependent on donor aid for regional initiatives and tap from opportunities in the private sector. EAC, COMESA and SADC are currently considering issuing joint bonds as one of the options to raise funds for regional infrastructure development<sup>65</sup>. But regulatory reform and prospects of conducive business environment is needed to get the confidence of private sector.

Regional infrastructure development is a key component for both regional trade and agricultural development. A number of initiatives undertaken by development partners aim at strengthening this link: for example, USAID's Competitiveness and Trade Expansion (COMPETE) program aims to enhance economic growth and food security in Eastern and Central Africa by mapping out key agricultural production and storage areas in the region along major transit corridors. TMEA, through its transport cost optimisation programmes supports the removal of non-tariff barriers, standard harmonization and corridor infrastructure development, among others.

With the launch of EAC common market, all stakeholders agree that there is a sense of urgency to fast-track regional infrastructure development<sup>66</sup>. The potential for public-private and donor partnership should be explored to address the infrastructure needs of the region. Advancements on the One Stop Border Post (OSBP) programme, has the potential to reduce transport and custom costs along major routes for agri-food products. But progress is uneven, in some cases roads are developed on part of the route in one country but still undeveloped as soon as the border is crossed. As is the case in other sectors, commitments made at the EAC level are not always implemented by partner states. While the benefits of infrastructure development are region-wide, making this reality is the responsibility of partner states. Stakeholders stress the need for quick implementation of national action plans and harmonizing transport policies.

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<sup>63</sup> Donor investments for infrastructure development come from DPs such as the AfDB, DFID, EU, JICA and World Bank

<sup>64</sup> <http://www.eastafricancorridors.org/cds>

<sup>65</sup> Available at: [http://www.comesa.int/index.php?option=com\\_content&view=article&id=143:comesa-sadc-eac-now-planning-regional-infrastructure-bonds&catid=43:other-coverage&Itemid=66](http://www.comesa.int/index.php?option=com_content&view=article&id=143:comesa-sadc-eac-now-planning-regional-infrastructure-bonds&catid=43:other-coverage&Itemid=66)

<sup>66</sup> <http://allafrica.com/stories/201005241441.html>

## Natural resources: Land and water management

All EAC partner states are signatories to the EAC Protocol on Environment & Natural Resource Management. This serves as the guide for harmonization of national policies and integrated management of shared natural resources and ecosystems. Partner states have policies and/ or agencies to coordinate natural resource and environmental issues, but each country is at different stages- Kenya is the most advanced while Rwanda and Burundi lag behind in terms of policies and legislation<sup>67</sup>. Overall, not much progress has been made in achieving integrated management of natural resources in East Africa, particularly at the grass-roots level<sup>68</sup>. A regional Climate Change Policy, Strategy and Master Plan are currently being developed. Weak institutions, fast encroaching urbanization, climate change, environmental degradation, lack of harmonized policies and regulations, inadequate financial resources and poor policy implementation impede regional progress.

Water resource management is particularly important for the region, as all countries in East Africa face severe water constraints. The Lake Victoria Basin Commission was established on the basis of common interests between the partner states. Development partners support this initiative through a Partnership Agreement on Sustainable Development of Lake Victoria Basin signed by the EAC Secretariat with the Governments of France, Norway and Sweden, the World Bank and the East African Development Bank. Nevertheless, cooperation on water resource management is hampered by national interest, which makes it difficult to attain consensus among partner states. Countries pursue positions that favour their economic interest at the expense of community interest, and at the detriment of regional integration efforts<sup>69</sup>. CAADP Pillar I (Water and Land Resource Management) offers an opportunity for mobilizing regional cooperation and additional external support.

In addition, land is a divisive issue in East Africa. The majority of the region's citizens are largely dependent on the land for food, employment and their daily livelihood. Land is privately owned in all EAC countries except Tanzania where public land tenure system is practiced. So, while some partner states would be open to foreign ownership of land within the EAC, Tanzania explicitly made it clear that they would prefer to restrict land ownership to citizens with respect to its public land ownership system<sup>70</sup>. With the coming into effect of the common market intra-EAC migration and settlement is expected to increase, as well as corresponding tensions. Partner states have already found it difficult to concede to the right of establishment under the common market protocol, due to its implications for land use, access and ownership. They preferred to make a compromise, allowing national policies and laws as the governing framework for land use and access<sup>71</sup>.

A climate change action plan was launched alongside the food security action plan and would be implemented concurrently. The EAC Secretariat in its budget estimates for 2011/12 has allocated a significant portion of the budget for natural resource management<sup>72</sup>. The EAC will also collaborate with COMESA and SADC under the Tripartite arrangement to collectively develop a Climate Change Adaptation

<sup>67</sup> EAC. Integrated Water Resources Management in East Africa. Available at: [http://www.eac.int/environment/index.php?option=com\\_content&view=article&id=151&Itemid=98](http://www.eac.int/environment/index.php?option=com_content&view=article&id=151&Itemid=98)

<sup>68</sup> UNDP. 2009. *Improving market access for dryland commodities in East Africa: Synthesis Report*.

<sup>69</sup> Okonga, R. J. 2010. *Challenges of Cooperation in Water Resources Management – A Case on development of a New Water Release and Abstraction Policy for Lake Victoria Basin*. Presented at the 2010 World Water Week, Stockholm.

<sup>70</sup> <http://www.globalexchange.org/countries/africa/tanzania/6030.html>

<sup>71</sup> Githaiga, N. 2011. *Much ado about land in the EAC*. ISS: Nairobi. Available at: [http://www.issafrica.org/iss\\_today.php?ID=1315](http://www.issafrica.org/iss_today.php?ID=1315)

<sup>72</sup> EAC Budget Estimates for the Financial Year 2011/ 2012

and Mitigation Programme for Eastern and Southern Africa<sup>73</sup>. Regional decisions and cooperation around climate change, water scarcity, natural resource management and land use has strong implications for food security and agricultural productivity in East Africa. These issues should be given deeper thought when developing a regional compact and as CAADP implementation moves forward.

## 4. Concluding remarks

Previous sections analysed the status of preparations in EAC for a regional CAADP compact, highlighting the role played so far by key involved stakeholders, the relationship between food security processes and the overall progress on regional integration, as well as the possible synergies between CAADP and other regional policies and programmes. Taking into account these existing challenges and opportunities, the final part of this paper presents some ideas and recommendations on the way forward for regional food security plans, both in terms of what each actor could do to contribute positively and what features could characterize a regional compact. Given the complexities and sensitivities involved, such concluding remarks can only be considered preliminary, and will have to be tested against the results of upcoming policy dialogues and formal decisions by the relevant EAC institutions and stakeholders. Nonetheless, the clarifications and suggestions provided here can hopefully shed some light on the way forward and be useful in the process, as they emerge from a series of stakeholders consultations and reflect the current plans around the regional CAADP formulation.

### ***Initiating a regional CAADP process***

The EAC's integration priority at this point is to operationalize the common market, promote regional economic integration and become a political federation. The urgency to fast-track the region's integration agenda is sometimes seen as overly ambitious. Regional declarations on different themes have been developed at a fast pace without corresponding follow up actions to make regional policies and programmes work. There is often a disconnect between commitments and priorities made at the regional level and the pace of implementation at country level, as national governments are not consistent in applying and integrating regional agreements into national plans. In addition, the population at large does not always properly understand the political regional integration aspirations of the elite, and many citizens are not even aware of regional commitments made by their leaders. This disparity between political rhetoric and the reality on the ground has effects for regional agricultural development. Divergent trade and agriculture policies have, in some cases, led to resistance by some national farmers toward regional trade in agricultural products, out of fear that local markets will be swamped with neighbouring countries' products<sup>74</sup>. Most stakeholders agree that EAC farmers want access to a market- local, provincial or regional. But if the regulatory, financial and physical infrastructures are absent, access to any of these markets becomes hampered or even unattractive.

Most stakeholders agree that a regional CAADP process is the appropriate framework to stimulate improved coordination of regional agricultural initiatives to address food security. There is consensus among the various actors working in EAC that developing a regional compact would be a useful rallying point for REC, partner states, DP, private sector and other stakeholders around regional agriculture. Most stakeholders believe that it is up to the EAC and its member states to decide what approach is best suited for the region- an EAC CAADP compact or a Tripartite CAADP compact or both. They recommend that the

<sup>73</sup> <http://www.trademarksa.org/news/eac-calls-involvement-regional-blocs-climate-change-initiatives>

<sup>74</sup> CTA. 2011. *Agritrade Executive brief*. Update July 2011. Available at: <http://agritrade.cta.int/Agriculture/Topics/EPAs/ESA-Agricultural-trade-policy-debates-and-developments>

EAC should identify which CAADP approach could best be mainstreamed into existing initiatives in a manner that provides added value, but also addresses the loopholes and weaknesses of current schemes and brings them together through an all-encompassing framework.

In developing an EAC regional compact and/ or the tripartite compact, consultation with all relevant stakeholders is key. A multi-sector approach that reflects and builds on linkages between CAADP and other sectoral programs are important for better harmonization of regional initiatives and could help improve coordination among the different institutions supporting the CAADP process. Stakeholders recommend that discussions should be organized between national agriculture donors working groups, regional donors working or interested in working on regional agriculture, and national and regional CAADP stakeholders, to develop 'roadmaps' for a regional CAADP process. The discussions could be based on an identification and analysis of gaps in national CAADP investment plans and other existing regional policies, and complementary regional actions needed to address these gaps. The roadmap could identify how donors could support regional CAADP the process of designing a compact and more importantly identifying what actions and investment would be needed to fully implement the compact. Such a roadmap could be designed in the coming months and possibly be presented at the next CAADP Partnership Platform Meeting in 2012, as joint commitment by the EAC and DPs to work towards implementing CAADP at the regional level.

Though the regional compact would address issues of regional concern, non-state actors stress the importance of having discussions regarding implementation and impact of the compact at country level. National and regional stakeholders should come to an agreement on what policy should apply in cases where a partner state adopts protectionist measures – regional trade or individual country food security concerns? A political economy analysis could be undertaken to get a grasp of what needs to be worked out in order to ensure that regional policies are fully implemented at the national level.

### **Towards better donor coordination**

Regarding donor coordination, it is broadly agreed among stakeholders that a regional CAADP compact would incentivize coordination around the EAC's regional agriculture goals and increase donor alignment to aid effectiveness principles. Some donors point to the need to improve consultations between DPs and the Secretariat, on what regional objectives should be given key priority. Project and programme implementation should be sequenced on this basis. They should also jointly engage on what actions are needed to ensure that synergies between sectors are taken into account by DP interventions.

Most actors agree that in general, the EAC region provides an example of good donor-REC engagement. The consultative process and management structure of the partnership fund could be used for future funds. However, some have suggested that better coordination structures are needed within EAC and among donors to capitalize on existing synergies. DPs working on specific sectors could form sectoral working groups or roundtables for better and more formal coordination of activities. Lessons could be learned from the ECOWAP regional donors working group (DWG), where donors working on agriculture within the West Africa region are members of the working group, including those that are yet to endorse the regional compact. The ECOWAS DWG has adopted its own rules of procedure and meets on a regular basis, providing a platform to share information among donors and formulate joint positions for discussions with the ECOWAS Commission. The ECOWAS DWG also communicates regularly with the global donor platform working on CAADP, by sharing minutes of their meetings with the Development Partners Task Team (DPTT), and liaises with the national agriculture donor working group.

Some regional donors have also suggested adopting the TMEA approach as an option for joint funding and programming for regional agricultural development initiatives. This would involve pooling of diverse range of donor funds through an independent facilitating, implementing and monitoring organization. Such an organization could be a REC institution dedicated to implementation of the regional compact or an independent company, similar to TMEA, without necessarily being TMEA, or a combination of both, involving both the EAC and development partners.

### **Ensuring synergetic regional integration**

While it is widely accepted that regional integration is a complex and multi-dimensional process, most stakeholders stress the importance of stronger linkages and coherence between different sectors in order to pursue the regional agenda. In general, most stakeholders agree that the EAC has developed good policies and programmes that reflect some of the multidimensional nature of regional integration and takes into account the inter-linkages between sectors. Recent initiatives undertaken by the EAC recognize the need for simultaneous advancements in other sectors in order to boost regional agricultural development. Promoting value addition and enhanced productivity for key regional crops, strengthening cross-border trade and developing the regional agro-industry have been prioritized by the EAC as the way forward for sustainable regional food security<sup>75</sup>. In response to changing global and regional demands, the region is also reflecting on the harmonization of bio-safety policies on GMOs, especially for the next regional development strategy. Jointly benefiting agriculture and trade, the Secretariat is also working on launching a regional SPS Protocol and EAC standards on agri-products. Although there is no regional Aid for Trade strategy, a number of development partners support trade facilitation projects.

However, overall implementation of the numerous regional initiatives still remains a challenge. National and donor actors believe that it is very important that EAC partner states commit to localizing regional decisions for all sectors rather than being selective. Political leaders should move on decisions to strengthen the institutional mandate of the Secretariat, so the regional level has more influence in engaging with countries. There is consensus among stakeholders that synergies between agriculture, trade, agriculture and other related sectors should be further explored if the region is to become food secure. Food security objectives should be reflected in relevant, cross-cutting sectoral strategies such as trade, infrastructure, etc. Some stakeholders suggest that more should be done to ensure that infrastructure development includes improving feeder roads connecting areas of surplus production to areas of deficit and markets. Governments must also be willing to show commitment to deal with policies that hamper cross-border agricultural cooperation.

### **Building broad-based support for regional agriculture**

Moving forward with CAADP, the Secretariat needs to place more emphasis on building multi-stakeholder dialogue and partnerships, especially with national and regional farmers' organisations and the agro-industries. Opportunities to form public-private sector-development partner alliances should be identified and exploited. The EAC's private sector rather than a state-led development approach towards regional integration is also identified as a step in the right direction<sup>76</sup>. This should be matched by increase in investments in the agriculture sector, at national and regional levels. EAC partner states and the Secretariat should also be committed to substantially increase budgetary allocations for agriculture, as well

<sup>75</sup> In collaboration with UNIDO, FAO and Kilimo Trust (Uganda), the EAC is currently at the initial stage of putting together a regional agro-industry programme based on the Abuja Declaration on the development of agribusiness and agro-industries in Africa, adopted in March 2010.

<sup>76</sup> SID. 2011. *East African Integration: Dynamics of Equity in Trade, Education, Media and Labour*. SID: Nairobi

as focus spending on those areas that are necessary for better access to markets and improved regional trade. A mind-change is also needed to look beyond donor aid and start developing partnerships with the private sector, including three-way partnerships between the EAC-DPs and private sector, for investments in agriculture. Although it could be a challenge to stimulate private sector interest, the EAC and its members should be willing to develop quality financial feasibility studies and investment strategies that highlight the business value of agriculture and mutual benefits for all parties involved. It is suggested that the Secretariat can employ the use of consultants<sup>77</sup> to help develop these proposals, if they lack internal capacity. Institutional, regulatory and financial reforms at country and regional levels could help strengthen the interface between private sector, DPs, partner states and the EAC and create viable investment opportunities. There is consensus that efforts at both national and regional levels to implement regional agreements could be improved by reflections among key stakeholders on the drivers and obstacles to regional integration, identifying those areas that have stronger potential to attract synergies, policy coherence and general regional benefit, for example agriculture-trade-infrastructure.

### **Working toward a regional compact: applying a flexible, 'differentiated-gear' approach**

Most stakeholders seem to support the argument that the EAC faces in principle the clear opportunity of both designing a multidimensional regional CAADP and using the current traction (political and financial) of CAADP to push also other regional cooperation sectors to make bolder progress. The difficult part, however, will be effectively shaping and managing the synergies that are likely to emerge across different sector policies and programmes, as well as coordinating the different sub-sectors and initiatives under one overarching 'umbrella' (which should also 'respect' other existing regional frameworks and institutions).

A realistic way forward for an overarching 'umbrella' and a multidimensional regional CAADP could be a programmatic approach to different areas of intervention, to meet the interest of all involved EAC countries and their different stakeholder groups. This would be a 'differentiated-gears' regional CAADP framework. It would be realistic and useful to build the regional food security compact and investment plan around different cooperation areas that are progressing at different rates, as well as identifying areas of possible cooperation between some EAC countries. While to be credible and attractive a compact and an investment plan need to have a minimum ambition in terms of joint action and policies valid for all EAC partner states. Countries would then come on board gradually in different sectors and parts of the regional compact, where they see interest and also benefits (to be assessed on a sector by sector basis).

Hence "different gears" for EAC countries: for instance a uniform agricultural markets information system for those where, de facto, the trade integration happens already; further -and faster- natural resources management cooperation for countries who share water basins; and so on. A faster 'gear' would mean a specific investment plan for that specific area or sub-sector, or a pilot joint programme to be initially implemented only by those willing EAC partner states. The added value of such an approach would be to look at existing sector progress and find a niche for CAADP, either as synergy-creation or in some cases as new 'multi-purpose' programmes related to food security, e.g. a value chain development approach which identifies and addresses simultaneously the bottlenecks on natural resources, corridors, and trade. This type of coordination in the context of a regional CAADP would need to be funded as well, because it is a demanding exercise for all stakeholders involved.

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<sup>77</sup> TMEA has started a programme which helps governments prepare project packages to harness private sector financing for ports development/ infrastructure. This can be used for agriculture projects.

This approach takes into account the political economy factors that often constitute obstacles to deeper regional cooperation. In particular, from a private sector point of view, regional strategies such as CAADP are very much about regional institutional 'fabrics' and high-end ideals (such as food security). But it is still unclear what are the interests at stake, and to what extent stakeholders can benefit or lose from regional agriculture cooperation and integration (within each EAC partner state and in the region). Flexibility and differentiated gears would allow to better factor in the political sensitivities, economic imbalances and business dynamics in the region, hence facilitating compromise, both within and between EAC countries.

Such gradual and 'differentiated-gears' approach could also apply to the formulation of a flexible 'Tripartite' CAADP Compact (bearing in mind that the pace and directions towards a possible 'Tripartite' compact will be set by formal consultations involving the policy organs of the three RECs). This approach would allow the EAC to simultaneously formulate its part of the 'Tripartite' compact. Similarly, if one REC does not have within its mandate a specific cooperation area, it could achieve full multidimensionality of a 'Tripartite' CAADP at its own pace. This for instance would be the case of COMESA, for which including regional water resources management in its CAADP framework would require first an expansion of the traditional agenda of COMESA, currently more focused on economic regional integration. In terms of concrete cooperation programmes, examples of REC-specific action building on existing differentiated progress could be: a COMESA investment plan for regional market information system along the trade corridors; a SADC programme to link sustainable regional water management with balancing food production and trade; and an EAC financing mechanism for agricultural input development. In other areas where it makes sense to move jointly as Tripartite bloc, the three RECs could launch common policies and investment, e.g. for SPS and pest management, Tripartite corridors, or 'monitoring and evaluation' on the overall CAADP progress.

Both for an EAC regional compact and in the event of a Tripartite compact, given the many countries involved and the complexities at stake, the process towards a flexible, differentiated-gear, regional food security framework would necessarily take time for identification, consultation, agreement and implementable plans design (especially for the new 'multi-purpose' programmes). However, useful examples of joint RECs and Tripartite programmes (e.g. North South Corridor, climate smart agriculture) already exist and should be looked at as possible building-blocs.

Careful design of a 'comprehensive, internally coherent and differentiated gears' compact would require a step-by-step multi-stakeholder consultative process, where all key actors should be represented. This would probably have to start with identifying a minimum common ground among EAC partner states on what major bottlenecks and opportunities are for: establishing operational linkages between CAADP and other regional programmes; articulating possible multi-sector priorities into the EAC (and 'Tripartite') CAADP Compact; and finding ways for regional actors and their development partners to work more effectively together to fast-track implementation of a regional CAADP.

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Policy Management

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#### HEAD OFFICE SIÈGE

Onze Lieve Vrouweplein 21  
6211 HE Maastricht  
The Netherlands *Pays Bas*  
Tel +31 (0)43 350 29 00  
Fax +31 (0)43 350 29 02

#### BRUSSELS OFFICE BUREAU DE BRUXELLES

Rue Archimède 5  
1000 Brussels *Bruxelles*  
Belgium *Belgique*  
Tel +32 (0)2 237 43 10  
Fax +32 (0)2 237 43 19

[info@ecdpm.org](mailto:info@ecdpm.org)  
[www.ecdpm.org](http://www.ecdpm.org)  
KvK 41077447



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