



TRADE AND AFRICA'S AGRICULTURAL POLICY IN 2025: POSSIBLE WAYS OUT OF A DEBACLE

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Agriculture is still one of the most important sectors in Africa's trade policy. Besides other raw materials, agriculture commodities continue to be a major source of income for African countries. It provides the greatest amount of employment and of export earnings.

In this session, the first speaker focused on the global commodity value chain and the lack of diversification of Africa's agricultural sector. The second speaker delineated by choosing two examples how the current trade rules can impede or support local producers in Africa. The third speaker described in more detail how important agriculture is for her country Tanzania. The final and fourth speaker from Cameroon illustrated how a poor country can be hit hardest by opening its borders to international markets if local circumstances are not properly taken into account by policy-makers.

1. Presentations by the panelists

a) Matthes Buhbe, director of the FES Geneva Office and H.E. Marwa Kisiri, head of the African, Caribbean and Pacific group of states' office in Geneva

Mr Buhbe and H.E. Kisiri opened the session by focusing on the importance of sustained agricultural development in Africa. Most African countries remain net food importers and thus are highly affected by effects of unstable food commodity prices.

Which role trade can, should and does play, to tackle the before mentioned issues was addressed by the further presentations.

b) *Aimable Uwizeye Mapendano (Economic Affairs Officer, Special Unit on Commodities, UNCTAD)*

Mr Mapendano's main argument was that Africa needs a new trading policy in order to strengthen its own agriculture instead of importing food from elsewhere. In his presentation, Mr. Mapendano explained the pricing structure for agricultural commodities in the past 50 years and its declining. Since the 1990s there is an exhilaration of concentration of the global market in the hands of a few transnational cooperations in the area of processing, trading and retailing. They are controlling the entire food production from farm to fork and have shaped the sector to what is called the global commodity value chain. The present economic situation is shaped by the African history and its traditional agricultural commodities such as coffee, tea, cocoa, cotton and others. Very little innovation has been developed to achieve higher value in the agricultural sector by African countries.

According to Mr Mapendano's presentation the agricultural policy of OECD countries have led to international low-price food. Africa instead was going through an adjustment process while their markets were flooded with cheap products from elsewhere. Furthermore, the governments decided to focus on urbanized areas. This is a paradox. Africa's majority of people live in rural areas and are working as farmers. Therefore, Mr Mapendano stated that the policy environment for growth in Africa is problematic. Africa's challenge is to force

social and economic development as well as to increase peoples' income and to ensure food security. To reach that goal there is the need for healthy and nutritious food.

Mr Mapendano mentioned furthermore the following approaches to solve the problems:

1. Agriculture can be a solution for Africa. But there is a need of change in programs and peoples' minds and to dedicate more attention to farmers.
2. Resolve the policy vacuum among neighboring countries and foster their trade. African countries need to focus more on trade within Africa.
3. Increase political awareness about food security and Africa's chance through diversity. Infrastructural programs developed in cooperation with the private sector need to be generated.
4. Develop with development partners regulations and interface with transnational cooperation on competition issues as well as on intellectual property and know-how transfer modalities.

c) *Mrs Fanny Coustaline (Trade Expert, RONGEAD, International Trade & Sustainable Development)*

The most important point for the upcoming years regarding food security – so Fanny Coustaline - is the availability, the access to food. Nearly one billion people are starving, and they might become even more – not least because of food waste. Around 3 million tons of food is wasted per year. Therefore, there is no need to produce more food, but to produce and to use it better and more efficient. Thus, a better

infrastructure within the whole production chain is required as well as higher and sustainable technical standards. Especially in the Sub-Saharan areas assistance is needed.

Furthermore, Mrs Coustaline stated that it should be a main goal to reduce poverty and create jobs in order to develop African economy. There are two main challenges to overcome:

1. The access to markets for African products. African products need to have the chance to enter international markets. This point is restricted by international market standards. The European Union, for example, heightened the allowed limit for coumarin in cinnamon. Cinnamon produced in Africa is exceeding this limit although it is not scientifically proofed that this amount is dangerous for health. In consequence, Europe is not importing cinnamon from Africa because of the strict limits.
2. Restrictions and rules are a question of governments and their decisions. On the other side, there is a positive example from Senegal. Senegal is producing onions and is selling them firstly and especially on the local market. This practice strengthens the local market as well as the local producers since the market is served with enough products and regional trading is developing. In addition to that, Senegal is able to export its onions to outside Africa, mainly to the countries within the European Union such as France or Germany. The export enables Senegal to increase the extent of production as well as the capacity to develop the

own economy. This example shows the importance for developing countries to act local as well as global.

d) *Mr. Anastazia James Wambura (Special Seats Member of Parliament, United Republic of Tanzania)*

Mrs Wambura's main topic was the importance of food security in Africa's and Tanzania's agricultural policy. Tanzania belongs to the Least Developed Countries and agriculture is a very important sector in the country's economy. According to Ms. Wambura, 77% of the total labour force is involved in agriculture, including 90% of the active women, producing 70% of the countries food requirements.

The contribution from the agricultural sector to the GDP reached 23.7% in 2011. But food security is still one of the main focuses on the agenda. By 2025, the Tanzanian government wants to lift the majority of low income farmers to the middle class, which is one of the main national development goals.

The Tanzanian national trade policy is promoting the country's agricultural activities. The policy focuses on rationalizing and better structuring within the system, competitiveness on local, regional and international markets and on exporting agricultural goods. Furthermore, the policy puts value on self-sufficiency to the people's demands as well as on exporting their goods.

As a last comment, Ms Wambura emphasized the importance to finally conclude the Doha Round in order to address and ensure food security.

e) *Mr Bernard Njonga (civil society activist in agricultural policy in Cameroon)*

Mr Njonga provided from the ground information on how trade opening can affect a rather poor country if local circumstances are not taken into account seriously and if trade opening is not combined closely with political caution.

When Cameroon became member of the WTO in 1995 it opened up immediately its borders also for agricultural products. What happened afterwards became in the words of Mr. Njonga a choc of globalization for Cameroon and especially for its small farmers.

Chicken is found on almost everybody's plate in Cameroon. Chicken are raised by mainly small farmers with very few animals and land; almost 90% of farmers in Cameroon are small farmers. They were seriously hit by the opening of borders as the domestic market was swamped by thousands of tones of cheap frozen chicken from elsewhere.

It took more than ten years and a high pressure from civil society leaded by Mr Njonga's NGO to succeed in an interdiction of the importation of frozen chicken which formally came into effect in 2007 and is still valid until today.

The interdiction did not lead to an entire self-sustained chicken production. Mr. Njonga emphasized the high amount of sufficient maize for raising chicken but unfortunately maize is not be produced in the amount famers in Cameroon would need it. Thus, his country would still be depended of maize importations and the government would lack of developing

according technical assistance in a proper and uncorrupted manner.

Mr Njonga further underlined the lack of designing appropriate policy by highlighting the fact that farmers in Cameroon would not be able to trade with their neighboring villages and would have no access to products from other regions in the country. Thus, he raised the question on how those farmers should then be able to participate under fair conditions in a globalized world.

Mr Njonga concluded by pointing at responsibility. First, farmers themselves are the first to hold responsible for today's situation in Cameroon. They need to get better organized. Second, the government should fulfill its role in acting first and foremost for the domestic producers and less focus on importing products from abroad. Third, the consumers have a crucial role by choosing for local products first and not for example for rice being produced in another country.

2. Questions and Comments by the audience

An important concern from the audience was about international protectionism. The Europeans and other Western countries protect their prizes for corn and other products. The main challenge here for Africa would be to develop a real strategy. Africa is still importing food they could and do

produce themselves. In addition, the African market is very much fragmented and African states hinder each other or even deny the trade with neighboring countries. To solve that problem investment plans as well as plans for infrastructure are necessary.

The question of which sector would be the one with the greatest competitiveness was raised in regard to food security. For Tanzania, mining is the most, tourism the second most important sector. Agriculture is on fifth place concerning contribution to the national GDP. But the agricultural sector is crucial because it employs most people.

A last remark was given on the fact, that there is no association for farmers in Africa. An association can have a stronger voice for the needs and demands for farmers and can set rules and regulations such as for fair incomes. There are associations in Africa existing, but they are not speaking on the behalf of farmers. The lack of a farmers association in Africa also shows the lack of support for farmers from their governments and a lack of democracy since associations are able to put pressure on democratic governments to improve the circumstances of their members.

1. Conclusion

The general agreement for this discussion lied in the fact that the relationship among African countries regarding trade needs to be strengthened. Agriculture is the probable most important branch for African economy and secures for millions of people their daily income and nutrition. To reach

the mentioned goals there is a need to rethink political strategies within the African countries as well as within the European and other Western countries to give a chance to Africa and the need for a better (infra-) structured system in the African countries themselves.

On the Author

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