HIGH-LEVEL MEETING ON THE INITIATIVE FOR THE ADAPTATION OF AFRICAN AGRICULTURE TO CLIMATE CHANGE "AAA"

RENCONTRE DE HAUT NIVEAU SUR L'INITIATIVE POUR L'ADAPTATION DE L'AGRICULTURE AFRICAINE AUX CHANGEMENTS CLIMATIQUES "AAA"
Feed Africa Strategy and the Climate Change Agenda

Yacine FAL, Resident Representative Morocco
Marrakech - 30 September 2016
1. Power and Light Up Africa
2. Feed Africa
3. Industrialize Africa
4. Integrate Africa
5. Improve Quality of Life of Africans
Ambitious Goals Objectives Targets Costs Returns

1. Contribute to end extreme poverty
   - 49% of Africans or 420 million live under the poverty line of $1.25 per day (2014);
   - Those living in poverty will rise to 550 million by 2025 if we do nothing

2. Eliminate Hunger Malnutrition
   - 33% of African children live in chronic hunger;
   - 40 million stunted children under the age of 5 years as at today

3. Become a net exporter of agricultural commodities
   - Staggering net food import bill of USD 35.4 billion per annum (2015);
   - Net Imports projected to increase to USD 111.0 billion per annum by 2025 if we do nothing

4. Move to the top of key agricultural value chains
   - Low value addition to agricultural commodities and predominantly primary production;
   - Africa’s share in global production of cocoa beans is 73% vs. 16% share in ground cocoa

5. Status Today
   - Food security for all Africans that are ‘undernourished’;
   - Zero hunger and malnutrition
   - ~130m lifted out of extreme poverty

6. Target by 2025
   - Contribute to alleviating poverty through job creation and providing sustainable livelihoods;
   - ~130m lifted out of extreme poverty

7. African children under the age of 5 years as at today
   - 33% of African children live in chronic hunger;
   - 40 million stunted children under the age of 5 years as at today

8. Net Imports projected to increase to USD 111.0 billion per annum by 2025 if we do nothing

9. Africa’s net trade balance – $0 billion
10. Staggering net food import bill of USD 35.4 billion per annum (2015)
11. Low value addition to agricultural commodities and predominantly primary production;
12. Africa’s share in global production of cocoa beans is 73% vs. 16% share in ground cocoa
13. Contribute to alleviating poverty through job creation and providing sustainable livelihoods;
14. ~130m lifted out of extreme poverty

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7 Key Enablers for Transformation of Agriculture in Africa

1. Increased Productivity
2. Realized value of increased production
3. Increased investment in Hard & Soft Infrastructure
4. Expanded Agricultural Finance
5. Improved Agribusiness Environment
6. Increased Inclusivity, Sustainability and Nutrition
7. Partnership for Agriculture
strong partnership and collaboration

Key Potential Actors and Partners to Deliver on Feed Africa

- Increased Productivity
- Realized Productivity
- Hard and Soft Infrastructure
- Agri Finance
- Enabling Agribusiness Environment
- Inclusivity, Sustainability, Nutrition

Co-development

Co-financing

Regional Member Countries

Partnership

Multilateral, Bilateral Donors, Foundations, Government Organizations

Small and Large Scale Agribusiness; Farmers Organizations; Food Companies

Non-Exhaustive
Feed Africa anchored on the commitments under the Comprehensive African Agricultural Development Program (CAADP)

- Principles and values of the CAADP process
- Enhance investment finance in agriculture
- Ending hunger
- Halving poverty through inclusive agricultural growth and transformation
- Boosting intra-African trade in agricultural commodities and services
- Enhancing resilience in livelihoods and production systems to climate variability and
- Mutual accountability to actions and results

Feed Africa

- End extreme poverty
- Eliminate hunger and malnutrition
- Make Africa a net exporter of agricultural commodities
- Move to the top of key agricultural value chains

Malabo Commitments by 2025

Source: Commitments and Goals by African Heads of States and Government in 2014 Malabo-Equatorial Guinea
Channel
$5 billion per year by 2020 for Climate finance

• Mobilize 1 billion

• $2.25 billion for Agriculture Adaptation during the ATA period

• Establish Climate Resilience Fund for Agriculture
Feed Africa

End extreme poverty
Eliminate hunger and malnutrition
Make Africa a net exporter of agricultural commodities
Move to the top of key agricultural value chains

IMPROVE AFRICANS RESILIENCE
PROMOTE Agricultural adaptation and sustainability

Promote Climate Smart Agriculture (CSA)
Develop and implement programs for resilience in particular in Sahel and Horn of Africa regions
- Manage Climate related risks
- Promote sustainable land-use and forest management
- Secure agricultural infrastructure, using the Climate Safeguards System CSS
- Large scale dissemination of innovative technologies and improved and resilient varieties

Climate Change OBJECTIVES & PRIORITIES
Climate Resilience Fund

will raise farmer productivity and incomes by investing in funds and projects that have already displayed success in improving farmer resilience to climate shocks and land degradation.

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<th>Key components</th>
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<td><strong>1</strong> Blended finance vehicle</td>
<td>Effects of climate change on agriculture could cost African regions up to 7% of GDP by 2100</td>
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| to scale successful sustainable agriculture projects, as well as agroforestry, ecotourism, and agri-tourism projects | • 67% of Africa’s land area has become or is becoming highly degraded  
• Major African staple crops are expected to have 8%-22% lower yields by 2050  
• African farmers are susceptible to increased fluctuations in rainfall and temperature due to climate change.  
|  
| **2** Partnerships | On climate financing and support for climate smart agriculture, working with ONEC, the Bank continues development of Investment Plans under the SREP in Benin, Lesotho, Madagascar, Malawi, Sierra Leone and Zambia.  
| CIAT, ONF International, EcoAgriculture Partners) | • The Bank is supporting these countries to access highly concessional financing envelope up to USD50 million to develop transformational renewable energy operations.  
• GEF resources will continue to be leveraged in areas of climate change mitigation and land degradation.  
|  
|  | • Livelihoods Fund for Family Farming (Livelihoods 3F) and the Moringa Fund both focus on off-take and certification partnerships to help ensure profitability and returns, while AfDB Congo Basin Forest Fund (CBFF) saw market access to be a key ingredient for uptake of good practices  
|  | • CBFF also found that scaling up successful sustainable agriculture pilots requires fund lengths beyond ten years  
|  | • Stafford Capital Partners, Althelia Climate Fund, and BioCarbon Fund Initiative for Sustainable Forest Landscapes form partnerships with trusted implementers both geographically broad and high-touch, with high-quality extension  

Lessons learned from comparable examples
• AfDB already has a number of tools and instruments that can be used to support 3A:

  ◆ Climate Safeguards System to screen and access the vulnerability of investments (projects and programm) to climate change; and determine appropriate adaptation measures;

  ◆ Clim-Dev Special Fund (CDSF) which finance climate adaptation and climate information systems;

  ◆ African Climate Change Funds (ACCF) which finance technical assistance to help African countries to access increase funding from various climate funds;

  ◆ In line with Feed Africa the Bank will establish a:

    ✓ Agricultural Risks Sharing & Mechanism (RSM) which will achieve increased bank lending to SMEs through de-risking credit activities and attracting new capital to the sector;
    ✓ Technologies for African Agriculture Transformation (TAAT) to promote and disseminate innovate and climate resilient technologies;
    ✓ Climate Resilience Fund for Agriculture to finance adaptation of African agriculture;
OPPORTUNITIES FOR COOPERATION

- Pipeline Development
- Knowledge and Advocacy
- Partnership & Cooperation
- Programme Implementation
- Resource mobilization
Feed Africa

Set of Tools & Instruments

- Climate Safeguards System
- Agricultural Risks Sharing & Mechanism (RSM)
- Clim-Dev
- Technologies for African Agriculture Transformation (TAAT)
- African Climate Change Funds (ACCF)
- Programme Implementation
- Climate Resilience Fund
- Resource mobilization
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