

GHANA

Strategy Support Program



Session 2: Are African governments serious about agriculture?

SESSION SUMMARY

Chair: David Atwood

Panel: Sam Benin, Regina Birner, Mawuli Gaddah, Janine Cocker

Our second session focused on emerging cooperation and collaboration between African governments and other actors in the agricultural sector. Following the creation of the Comprehensive African Agricultural Development Program (CAADP), many governments seem to be reenergized about the agricultural sector [[GSSP Discussion Note #005](#)]. Beginning with the development of their own CAADP strategies, they have collectively committed to seek development through agriculture-led growth and to spend 10% of expenditures on agriculture. Following CAADP principles, priorities for agricultural development are developed in a participatory and inclusive manner that is backed by evidence.

CAADP is particularly attractive to African policy-makers and their development partners. For African policy-makers, CAADP creates the opportunity to spend more resources on the agricultural sector, allowing them to develop a stronger rural base, which has advantages both from a socio-economic and a political perspective. For donors, CAADP—as a regional program—has advantages because it reduces the transaction costs of dealing with every country individually. At the same time, the commitment to the CAADP principles makes it easier to convince home constituencies that the money is spent effectively.

While CAADP has created enthusiasm around the prospects for an African green revolution, the process has not necessarily improved the level of public investment or investment plan development [[GSSP Discussion Note #004](#)]. The supposed country-

owned strategies have not attracted expected external resources—only 11 countries have benefitted from GAFSP, and only a couple of donors provide direct agricultural sector budget support [[GSSP Discussion Note #030](#)]. Many governments that report to spend more on agriculture or to meet the CAADP 10% expenditure target have done so through changes in accounting procedures, rather than actual increases in spending [[GSSP Discussion Note #029](#)]. Additional public expenditure has increasingly been diverted to substantial subsidies for agricultural input supply or marketing. Such programs are often found to become a heavy fiscal burden and an inefficient means to deliver objectives.

From the discussions of participants in the session, priorities emerged on how to improve the effectiveness of the policy process going forward. One of the biggest challenges will be to increase spending while ensuring that spending is sustainable, transparent, and effective in providing appropriate services to smallholder farmers. Specifically, the agenda should focus on three points: (1) ownership, i.e. countries should implement programs of importance such as mechanization and youth employment, even if they have been neglected by donors; (2) avoiding political capture, i.e. the tendency of some governments to favor certain constituencies, thereby risking the implementation of the program; and (3) infrastructure, i.e. getting the agenda to a point where it works, notwithstanding corruption.

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