

Stocktaking and Assessment of Agribusiness Chambers of Commerce in Africa

2ND AU PRIVATE SECTOR AND AGRIBUSINESS FORUM

KIGALI, RWANDA 5-7TH NOV

NEPAD Planning and Coordinating Agency



Background of the study

- Within the Sustaining CAADP Momentum and the Actions for Implementation of the Malabo Declaration, Private Sector Engagement has become a strong Action Point for Africa
- NPCA see Private sector umbrella organisations as ideal entry point
- Responds also to NEPAD Agribusiness Strategy
- Study supported by GIZ-CAADP Support Program on Policy Advice/Agribusiness



The study

Stocktaking analysis and institutional assessment: RSA, ETH, GHA, SEN, CAM

Provide an overview of existing institutions

Systematization of good practices and success factors; general weaknesses and challenges

Recommendations for strengthening or replication

Link to the implementation of CAADP agenda



Country Specific Findings-South Africa

□ Who are the general roleplayers?

- **Commodity specific organisations** (e.g. Potato SA, SA Poultry Association)
- **Agribusiness** (e.g. Animal Feed Manufacturers Association)
- **Agro-processing organisations** (e.g. Chamber of Baking)
- **Consultative forums:** CEO's Forum, Agricultural Trade Forum
- **Other relevant agriculture specific entities:** Export Councils, National Agricultural Marketing Council
- **Other relevant national entities:** National Economic and Development Labour Council (NEDLAC), government, business, labour and community groupings. Business Unity South Africa (BUSA), merger of Black Business Council and Business South Africa
- **Agricultural labour unions:** powerful, but low levels of mobilisation due to distances, access to farms, difficulty of membership payments

Country Specific Findings-South Africa

❏ Who are the largest institutional roleplayers?

- **Agbiz:** commodity specific producers (farmers), agroprocessors, financial institutions, and agribusiness (service providers)
- **AgriSA:** commodity specific producers
- **SA Agricultural Processors Association (SAAPA):** e.g. sugar and grain millers, juice manufacturers, confectionary manufacturers
- **African Farmers Association of SA (AFASA):** small scale emerging farmers
- **National African Farmer's Union (NAFU):** small scale emerging farmers, agribusinesses
- **Transvaal Agricultural Union SA (TAU-SA):** large scale farmers

Country Specific Findings-South Africa

❑ A possible National Agricultural Chamber for South Africa?



- **Agri-Sector Unity Forum (ASUF)**: formed 2012, members are Agbiz, AgriSA, SAAPA, AFASA, NAFU, and TAU-SA.
- Unprecedented unity, never before accomplished

About The Private Sector Umbrella Organizations

- Varying background conditions
- No real comprehensive **National Agribusiness Chamber** (NAC) existing ; in South Africa: ASUF
- **Chambers of Commerce** is that they mainly focus on trade and industry. Agriculture and agribusiness often do not feature as a priority for the chambers.
- **Commodity-specific organizations** are working on immediate issues and do not participate in long-term policy consultation and design.
- Most of the commodity-specific organizations still depend on subsidies
- In most of the cases commodity-specific organizations hardly offer income generating services (exceptions in South Africa and Ghana).



General Findings

Ethiopia

Signature of CAADP compact

- Compact signed on 28.08.2009

Organization of the agricultural sector

- In the most important sub-sectors the farmers are organized up to national level

General organization of commodity specific organizations

- Some of the commodity specific organizations are vertically integrated. Most of them are under financed for fully assuming their responsibilities and are still dependent on subsidies and/or assistance of donor organizations. Just a few are offering BDS services

General findings regarding the National Chamber

- Establishing an Agribusiness Taskforce under ECCSA or AACCSA after an in-depth study of their legal mandates and internal capacities;
- Most of the members of the chambers feel that they did not receive the expected services from the chambers.

General findings

Senegal

Signature of CAADP compact

- Compact signed on 10.09.2010

Organization of the agricultural sector

- In the most important sub-sectors the farmers are organized up to national level

General organization of commodity specific organizations

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General findings regarding the National Chamber

- The Chamber of Commerce, Industry and Agriculture of Dakar has a wide range of responsibilities and could be an entry point. Funding is based on public subsidies and classic BDS services. Necessity to adapt the services
- The second scenario is to build up a formalized dialog platform as in other sectors like the health or education (with a large number of key organizations)



General findings

Ghana

Signature of CAADP compact

- Compact signed on 28.10.2009

Organization of the agricultural sector

- In the most important sub-sectors the farmers are organized up to national level

General organization of commodity specific organizations

- Some of the commodity specific organizations are vertically integrated. Most of them are under financed for fully assuming their responsibilities and are still dependent on subsidies and/or assistance of donor organizations. Just a few are offering BDS services

General findings regarding the National Chamber

- There is no National agricultural chamber. Plans are underway to mobilize the agricultural front for being better represented through an agricultural public private dialogue platform (to be hosted by PEF).
- And some big agribusiness players are advocating for the establishment of a Chamber of Agriculture



General findings

Cameroon

Signature of CAADP compact

- Compact signed on 17.07.2013

Organization of the agricultural sector

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General organization of commodity specific organizations

- Some of the commodity specific organizations are vertically integrated. Most of them are under financed for fully assuming their responsibilities and are still dependent on subsidies and/or assistance of donor organizations. Just a few are offering BDS services

General findings regarding the National Chamber

- It is recommended to build up a new organization or formalized platform (the legal basis for this entity has still to be defined) that is gathering already well structured, functioning and dynamic national organizations of the existing value chains. Governmental entities should participate.



General Findings/ Recommendations

- ✓ An **umbrella organization** (ex. NAC) is needed in each of the five countries;
- ✓ An umbrella organization should be built mainly on commodity specific organizations. And, it should start with the organizations which have already achieved proven results for their sector through their activities;
- ✓ Most of the commodity specific organizations we have met still have to improve or to develop BDS services for their members;
- ✓ In some cases the organizations are not collaborating (some times competing);
- ✓ In most of the cases it might not be possible for an umbrella organization to be a fully private driven organization. In these cases the government should be involved but it is highly recommended to equilibrate the decision making process between government and private sector members;
- ✓ Communication, visibility and providing value for members should be high priorities for the new organization;
- ✓ The sources of income should be stable and diversified (across multiple source types)



General Findings/Recommendations

- ✓ There is still a lack of information and knowledge about CAADP and its value within the so called “private sector”;
- ✓ There is a need for adapting roundtables/workshops to the expectations of private sector organizations: short meetings, clear objectives and clear agenda for the meetings, etc;
- ✓ Private sector organizations are interested in participating in the CAADP process but they should be entitled and encouraged to participate clearly in the decision making processes;
- ✓ “Youth” should be involved in the national CAADP processes



Key Discussions...Country Level

- How AU/NEPAD facilitate institutionalization of these chambers/ apex bodies in each country?
- How will existing fragmented but effective bodies at the country level align, recognize and collaborate with such apex bodies to have one voice?
- What might be some of the key policy issues that CAADP/NEPAD can present to National governments to accelerate establishment of functional apex bodies?



Key Discussions-Continental Apex Body

- What recognized structure do we wish to build at the continental Apex level to link to regional and national bodies
- How will the apex bodies be resourced to function?
- How do we identify country level CHAMPIONS who will drive this agenda?



Thank you!

