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## **ASSEMBLY/AU/DECL (ENGLISH)**

### **High-level Conference on Agribusiness and Agro-industries,**

### **ABUJA DECLARATION ON DEVELOPMENT OF AGRIBUSINESS AND AGRO-INDUSTRIES IN AFRICA**

**ABUJA, NIGERIA, 10th MARCH 2010**

## **ASSEMBLY / AU/DECL.**

### **ABUJA DECLARATION ON DEVELOPMENT OF AGRIBUSINESS AND AGRO-INDUSTRIES IN AFRICA**

**WE** the African Heads of State and Government of the African Union assembled in Abuja, Nigeria, on this day 10<sup>th</sup> of March 2010

**EXPRESSING** our appreciation to His Excellency, Goodluck Jonathan, the Acting President of the Federal Republic of Nigeria, the Government and People of Nigeria, for hosting this Summit which has offered us an opportunity to renew our commitment to promote sustainable economic growth and integration of our countries into regional and global markets as a means of fostering income growth and social development as well as combating poverty and food insecurity in Africa;

**RECALLING** the theme of the Thirteenth AU Summit and Africa's collective responsibility and commitment to advance its agriculture through the AU-NEPAD's Comprehensive Africa Agriculture Development Programme (CAADP), which is the framework for institutional and policy reforms, capacity development and increased investments required for enhanced agricultural performance that is necessary for the achievement of food security and social economic development;

**ALSO RECALLING** the commitment made at the Abuja Summit on Food Security in Africa of December 2006 to increase intra-African trade of strategic commodities through the implementation of trade arrangements adopted in the Regional Economic Communities (RECs), harmonization of standards within and across RECs, the development of market information systems, and the building of trade related infrastructure;

**TAKING NOTE** of AU Summit Decision on the Plan of Action for the Accelerated Industrial Development of Africa;

**UNDERSCORING** the importance of funding mechanisms to increase the flow of resources into agriculture;

**AWARE** that agriculture remains an important source of livelihood and a key sector in African economies, accounting for a high percentage of the GDP, employment, and export earnings;

**RECOGNISING** the central role played by women in agriculture including food production, harvesting, processing and storage and the challenges they face, as well as the lost opportunity to support women entrepreneurs in order to involve them in agro-industry development.

**OBSERVING** the importance to involve the most vulnerable sections of society the physically challenged and youths, and to ensure that their special needs to participate in economic activities are embraced and supported in agricultural development strategies and investment programmes

**TAKING NOTE** of the efforts and progress being made by many African countries to promote agricultural growth and reduce food and nutrition insecurity;

**AWARE** of the significant contributions that value addition to agricultural commodities can make to employment generation, export earnings and socio-economic development;

**CONCERNED** that Africa is yet to make much progress towards adding value to primary agricultural commodities and exploiting the opportunities for processed agro-food products in local, regional and international markets;

**RECOGNISING** the backward and forward linkage potentials and multiplier effects of agribusiness and agro-industries;

**ALSO RECOGNISING** that through the development of agribusiness and agro-industries, access to markets, finance and technical assistance can be facilitated for smallholder farmers and opportunities for food self sufficiency, food security, employment and income generation can be created for them;

**AWARE** that the development of agribusiness and agro-industries can serve as a major instrument for the expansion and diversification of Africa's economy and trade, and for the attainment of food security through reduction of post-harvest losses, improvement of food quality and safety, extension of the shelf-life of food, and greater efficiency along the food chain from production to consumption;

**MINDFUL** of the fact that in Africa agriculture has not been sufficiently linked to agribusiness and agro-industries, and consequently that the benefits of such linkages are yet to be realized;

**RECALLING** the AU Summit Sirte Declaration of July 2009 that explicitly acknowledged the need for proactive measures and interventions to increase investments in agriculture for the enhancement of the contribution of the sector to attainment of Africa's accelerated economic growth;

**NOTING** that High Level Conference for the Development of Agribusiness and Agro-industries in Africa (HLCD-3A) is a follow-up action to the Global Agro-industries Forum (GAIF) which was organised in New Delhi, India in April 2008, and at which Representatives of 44 African countries called on the participating UN agencies to organize a regional forum that would deliberate on concrete actions for promoting agribusiness and agro-industries development throughout Africa;

**TAKING NOTE of** the consultations and discussions that were conducted and the expert inputs made in the course of the preparation of the African Agribusiness and Agro-industries Development Initiative (3ADI);

**RECOGNIZING** that the actions identified in the proposed programme framework of the 3ADI are consistent with the initiatives recommended by the African Agriculture Ministers' Conference held in Addis Ababa in April 2009, and coherent with the commitments made in the AU Summit Sirte Declaration of July 2009;

**NOTING** that the 3ADI has been designed to be in alignment and harmony with the overall strategy proposed for the implementation of CAADP, particularly its Pillar II which is directly related to the policy agenda and programme initiatives for accelerating agribusiness and agro-industries in Africa;

**NOTING FURTHER** the necessity for strong commitment from African governments and partner organizations towards the development of programmes that foster agribusiness and agro-industries in Africa including the design and operationalization of financial modalities to support programme implementation;

**CONFIDENT** that the programme priorities and financial modalities proposed in the 3ADI will, if implemented, spur the development of competitive, sustainable and inclusive agro-industries and agribusinesses in Africa and enhance economic growth and food security;

**HEREBY:**

**ENDORSE** the African Agribusiness and Agro-industries Development Initiative (3ADI),

## **UNDERTAKE TO:**

1. Enhance policy formulation and implementation mechanisms, and provide public goods that, consistent with the 3ADI principles and strategic vision, can enhance capacity, profitability and competitiveness of agribusiness and agro-industries and ensure that the development of agribusiness and agro-industries contributes to smallholder livelihoods, food security and nutrition, job creation and poverty alleviation;
2. Promote the establishment of appropriate financing modalities to support the implementation of 3ADI, taking into account the special needs of women farmers and entrepreneurs;
3. Enhance strategy development, planning and policy implementation by strengthening the capacity and linkages among public agencies responsible for agriculture, agribusiness and agro-industries;
4. Fast track the implementation of regional trade agreements and take additional measures as necessary to remove barriers to intra and inter-regional trade;

Promote the building and harmonization of standards as a quality tool in the production, processing, storage and marketing of agro- products

## **URGE Member States to:**

1. Recommit to the Maputo Declaration of allocating at least ten (10) percent of their annual national budgets to the agriculture sector by 2015.
2. Establish the requisite legal, regulatory and institutional framework to support agribusiness and agro-industry development;
3. Promote and support the African Regional Standards Organization (ARSO) in the harmonization of industrial standards, grades and metrology for the promotion of regional and international trade.
4. Take measures to foster commercial bank financing for all segments of the agribusiness value chain and ensure that agriculture financing initiatives are enhanced through African institutions and made accessible to Small and Medium Enterprises (SMEs).
5. Put in place programmes to accelerate the development of the value chains for strategic food commodities, build competitive food supply systems and reduce reliance on food imports;
6. Reinforce capacities to build skills and technologies that improve efficiency and productivity along the post-production value chains as a complement to the support being provided to increase productivity in primary production;

7. Develop and build capacity relating to food standards that are responsive to domestic needs and, as necessary, comply with international requirements and standards;
8. Urge donors and partners to support the financing of agricultural programs for emerging medium-income countries.

**URGE** the RECs and Regional financial institutions:

To facilitate the implementation of 3 ADI

**REQUEST** the collaborating agencies (AUC, AfDB, and ECA) together with their UN partners (UNIDO, FAO, IFAD)

To work with AU Member States on implementing the actions contained in this declaration and report on progress to the Ordinary Session of the Assembly annually.