



Policy Analysis and Advocacy Programme

Strategic plan 2008–2013

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Abbreviations and acronyms

CAADP	Comprehensive Africa Agriculture Development Programme
COMESA	Common Market for Eastern and Southern Africa
EAC	East African Community
ECA	Eastern and Central Africa
ECAPAPA	Eastern and Central Africa Programme for Agricultural Policy Analysis
EPA	Economic Partnership Agreement
EU	European Union
FAAP	Framework for African Agricultural Productivity
FARA	Forum for Agricultural Research in Africa
GMO	genetically modified organism
IAR4D	Integrated Agricultural Research for Development
MDG	Millennium Development Goal
NARI	national agricultural research institute
NARS	national agricultural research system
NEPAD	New Partnership for Africa's Development
NPPs	networks, programmes and projects
PAAP	Policy Analysis and Advocacy Programme
PRSP	poverty reduction strategy paper
R4D	research for development

Executive summary

In 2006, the Association for Strengthening Agricultural Research in Eastern and Central Africa (ASARECA) produced a strategic plan that would guide its operations from 2006 to 2015. To implement the strategy several changes were proposed. One of these changes was the consolidation of the 17 networks, programmes and projects into 7 programmes. The Eastern and Central Africa Programme for Agricultural Policy Analysis (ECAPAPA) and FOODNET were merged to become the Policy Analysis and Advocacy Programme (PAAP). To align the new programmes with ASARECA's objectives, it was necessary to develop long-term plans to guide their activities. Development of this strategic plan for PAAP kicked off with a stakeholders consultation workshop that was attended by 55 participants representing diverse institutions in the region.

Participants deliberated on ASARECA's strategy, ECAPAPA's achievements and lessons, and emerging trends that have a bearing on policy for the region. Through analyses of trends, four core themes for PAAP were identified, a reduction from the six programme areas identified by ECAPAPA in 2003. Of the four, two were a continuation of ongoing activities, which stressed their relevance, and the other two reflected emerging challenges. Advocacy would cut across all programme areas. These themes are:

- Analyses of trends (new)
- Rationalizing, harmonizing and advocating policy and legislation (continuation)
- Analysis of policy issues for natural resource management (continuation)
- Options and opportunities for growth in small-scale agriculture (new)

The thematic areas and advocacy plan are elaborated later in this document under a rationale; expected outputs, outcomes and impacts; challenges to achieving results; strategies that will lead to results envisaged; and key research questions needed to achieve the desired outputs and outcomes. A plan on how to implement the strategy is also presented.

The PAAP 2008–2013 strategy takes an integrated approach to tackling poverty by proposing approaches that will contribute to enhanced productivity and competitiveness along the value chain through reforming policies, regulations and procedures that impede investment in appropriate technologies, and that restrict sectoral growth and trade. Drawing up evidence-based options when formulating policy will be promoted. The result will be efficient market chains along the production-to-consumption continuum, improved links between research and development, and supportive policies and institutions. Ultimately, supportive policies and institutions will encourage investment by offering incentives that will allow judicious use of resources to enhance livelihoods while at the same time will ensure that natural resources

are conserved and allowed to rejuvenate for future generations. These developments will require strong partnerships, new skills and networks, and information and knowledge sharing to help scale up supportive policy and institutions throughout eastern and central Africa.

Background

ASARECA strategy: moving from networks to programmes

The Association for Strengthening Agricultural Research in Eastern and Central Africa (ASARECA) was created in 1994 by directors general of national agricultural research institutes (NARIs). Few countries in the region could on their own afford to sustain a national agricultural research system (NARS) with sufficient capacity to meet the scale and scope of research needed to contribute to economic growth, poverty reduction and sustainability of the environment. It is this reality that gave rise to the association.

Over the years, ASARECA has evolved into a viable subregional organization, providing services to varied stakeholder interests. These services include strengthening NARS relations with advanced research institutes and international centres, validating the power of regional action, and generating economies of scope and scale. In 2006 ASARECA produced a revised strategic plan¹ that was largely guided by the prevailing development targets, such as the Millennium Development Goals (MDGs) of eradicating extreme poverty and hunger and halving the proportion of people whose income is less than US\$1 a day between 2000 and 2015.

The strategy outlines two key scenarios critical to ASARECA's positioning. The first scenario—termed 'business as usual'—elaborates what would happen if current trends in productivity and growth of areas under cultivation continued. The majority of the population in the region resides in rural areas and depends on agriculture for income and sustenance. Given the low levels of productivity growth in agriculture, hunger and malnutrition have increased in eastern and central Africa (ECA) in recent years. If a business-as-usual strategy is followed, none of the countries in the region will achieve the MDGs and, more alarmingly, most will be worse off or only marginally better off in 2015 than they are at present. The second scenario—'business unusual'—elaborates what growth and productivity trends by commodity sector (staples, cash crops, and livestock) can do to achieve the MDGs on poverty and hunger. This favourable scenario departs from historical experience and would imply, in some cases, trebling growth rates to 6% or more. In general, growth rates will have to almost double for staples and livestock, and more than double for cash crops.

This strategy concludes:

- The biggest impact on poverty reduction will come from concentrating on staples (maize, sorghum, cassava) and commodities (milk, oilseeds, fruits, vegetables) for which demand is greatest or likely to grow fastest.
- The business unusual approach calls for productivity and production gains that have not been realized or sustained in the past across member countries.

¹ ASARECA. 2006. *ASARECA strategic plan 2006–2015. Agricultural research for development in eastern and central Africa*. ASARECA, Entebbe.

- Balanced growth is necessary since productivity growth alone will not lead to economic growth and poverty reduction without roads, markets and access to information. Links in the value-added chain from producer to consumer and links in the chain back to producers and suppliers must increase to achieve growth.
- Potential spillovers from research are important and countries can reduce learning costs by sharing information.

The strategy identified eight development domains based on quantitative measures—agricultural potential, market access, population density—that cut across national boundaries. Agricultural potential was based on length of growing period and soil characteristics. Market access was based on the time it takes to travel to different types of markets—purely local, regional, major national urban markets; and export points (international port or airport). Population density (above or below 100 people km⁻²) was used as a proxy for demand and pressure for land.

Agricultural strategies are likely to have the same relevance in areas falling in the same development domain. Development domains are useful in posing key questions about the welfare of different countries, the formation of country subgroups, and decision making in an organization that has no mechanisms for making political trade-offs.

Characterization of the development domains ranks agricultural potential, market access and population density on a high (H) or low (L) scale. For example an HHH domain has high agricultural potential, high market access and high population density. Four of these domains are strategically important for agriculture:

HLL: The largest agricultural domain, it accounts for 38% of the total area and is spread across most countries in ECA. It is of highest strategic priority because of its size, suitability for different crops and potential for growth. However, these areas will require investment in infrastructure, security and market access to be exploited.

HHH: This domain accounts for less than 2% of the total area in ECA; it has 17% of the population, of which 14% is rural. Agriculture in these areas needs to be intensified through improved management techniques.

HLH: Only a small area is in this domain. It cultivates, produces and processes high-value products in areas of high population density. Market access is the problem that needs solving.

LLL: Despite being 'low potential' this domain is important for its size and rural population and therefore strategic for the region.

To implement the strategic plan, ASARECA developed an operation plan² aimed at strengthening effectiveness through merging the 17 NPPs into 7 programmes:

- Staple Crops, merging NPPs working on Irish and sweet potatoes, beans, cassava, sorghum and millet, rice, maize and wheat, and banana

² ASARECA. 2007. *Operation plan 2007–2011 towards the improved delivery and impact of regional agricultural research*. ASARECA, Entebbe.

- Non-Staple Crops, merging the coffee network with new activities in horticulture, oilseeds and pulses
- Livestock and Fisheries, merging the animal agriculture network with fisheries activities
- Agrobiodiversity and Biotechnology, merging plant genetic resources and biotechnology networks
- Natural Resource Management and Forestry, merging trees on farm, soil and water management and African Highlands Initiative
- Policy Analysis and Advocacy, merging the policy analysis programme and food marketing network
- Upscaling and Knowledge Management, merging the agricultural information network and technology uptake and upscaling project

ASARECA's goal, purpose and outputs

Goal: increased economic growth and improved social welfare in ECA while enhancing the quality of the environment.

Purpose: Enhanced sustainable productivity, added value and competitiveness of the regional agricultural system.

Intermediate outcome: Enhanced uptake of agricultural research and development innovations in the ASARECA subregion.

Output/result areas

- 1 Performance-driven governance and management structures and systems established and operational
- 2 Generation and uptake of demand-driven agricultural technologies and innovations facilitated
- 3 Policy options for enhancing performance of the agricultural sector in the ASARECA subregion facilitated
- 4 Capacity for implementing agricultural research in the integrated agricultural research for development (IAR4D) paradigm in the ASARECA subregion strengthened
- 5 Availability of information on agricultural innovations enhanced

ASARECA will rely on the seven programmes to deliver these outputs. PAAP will specifically contribute to outputs 3, 4 and 5, singly or in collaboration with other programmes.

Where we are coming from: ECAPAPA to PAAP

In 1995, a working group was commissioned by the ASARECA Committee of Directors to identify problems in agricultural policy in the region and suggest solutions within the ASARECA framework. The working group proposed the establishment of an Agricultural and Natural Resources Policy Research Initiative (ANARPRI). Following consultations with stakeholders, the ANARPRI concept

was restructured and the Eastern and Central Africa Programme for Agricultural Policy Analysis (ECAPAPA) was established in 1997. In establishing ECAPAPA, the Committee of Directors observed that current agricultural policies:

- were restricting the optimum performance of the agricultural sector, i.e., its contribution to sustainable social and economic development in general and poverty alleviation in particular, through limiting support services, links to markets and incentives to entrepreneurs
- inhibited the effectiveness of agricultural research by offering little support and restricting motivation for producers to use improved information and technical innovations
- lacked the micro-economic perspectives to ensure that the interests of the intended beneficiary populations were central and that policies were environmentally sustainable and economically efficient.

ECAPAPA was thus established to perform three tasks:

- *build capacity* to increase the ability of individuals and institutions to relate to, influence and apply policies
- *analyse policy* through supporting and coordinating research in selected thematic areas to develop policy recommendations that can be used to inform policy making
- *exchange policy information* using electronic and traditional media to provide policy information to a wide cross-section of stakeholders linking various organizations, programmes, projects and networks, and engaging in policy debates

In 2003, ECAPAPA prioritized six programme areas and 21 research projects. Research projects were developed gradually and by 2007, ECAPAPA was coordinating eight projects. Beyond consolidating NPPs within ASARECA, the evolution of ECAPAPA to PAAP has been influenced by previous external reviews. The review of 2001 recommended that the four phases in the policy-change cycle—data, analysis, dialogue, and action/advocacy—need not be treated as linear or sequential, but that activities around them could be initiated simultaneously.³ The review in 2003⁴ recommended more focus on globalization, regional and international trade, and the associated need to influence agricultural policy. A review in 2007⁵ called for focusing on a few large projects that would allow ECAPAPA to allocate staff time more efficiently.

Why policy analysis and advocacy in Eastern and Central Africa

The strength of PAAP is in building on the foundations set by its predecessor, ECAPAPA. PAAP will continue to improve on policy information exchange, build core competencies in policy analysis, and influence use of information. Such a huge task will need to be complemented with enhanced partnership to bring about the required disciplinary, sectoral, issue-driven and process-oriented skills.

³ Mukhebi A, Faki H, Masters W. 2001. Report of mid-term review of ECAPAPA. Unpublished report.

⁴ Disney J. 2003. Report of medium-term review of ECAPAPA. Unpublished report.

⁵ [NRI] Natural Resources Institute. 2007. End of programme review of ASARECA networks, projects and programmes. Draft final report, and vol. 2: Network synthesis reports. Unpublished report.

Policy analysis is an investment in more effective outcomes that provide enabling environments and frameworks to guide investment decisions and break restrictive barriers. In this context, we distinguish among economic analysis (what 'is'), policy analysis (what 'could be') and policy advice (what 'should be' and what 'can be done'). The demand for policy analysis is derived from a real need for policy change. Policy is a process that sets a deliberate course of action and how to implement it. The process includes setting policy agendas; legislating—developing laws, regulations and procedures; and implementing them. It is also about what happens on the ground: a policy is worth nothing unless it results in actual change. The demand for policy analysis is derived from a real need for policy change on the part of some important client. The link between policy research and analysis and policy change can be direct when the results of the analysis are so compelling that common wisdom is overturned.⁶ Often this is not the case. The hypothesis in this case is that policies can actually make a difference and that there are different policy choices; that is, there is room for manoeuvre.

Policy making used to be widely thought of as a linear and logical process, in which policy makers identified a problem, commissioned research, took note of the results and made sensible policies that were then implemented. Nowadays, policy making is recognized as a dynamic, complex, chaotic process, described sometimes as chaos of purposes and accidents,⁷ and is not a matter of rationally implementing decisions through selected strategies. Furthermore, it has been pointed out that 'most policy research on African agriculture is irrelevant to agricultural and overall economic policy in Africa'.⁸ It is not surprising that the link between research and policy is tenuous and difficult to understand if policy processes are complex and chaotic and much research is not very policy relevant.

The shift by PAAP towards evidence-based policy advice (advocacy) is encouraging rigorous and robust policy analysis, monitoring and evaluation, implementation and communication. However, advocacy requires innovation and risk-taking if it is to bear fruit. It also requires investment in:

- building the capacity of policy advisers
- using research and development as a basis for credible policy advice
- keeping abreast of changes in the policy environment, including in other countries
- forming policy networks that can easily draw contributions from many sectors and agencies

Norton and Alwang⁹ draw parallel experiences from Asia and Latin America that are relevant to the ASARECA region.

- The interaction among factors that influence the supply and demand for institutional change determines the potential value of policy research. As market disequilibria, a growing divergence between private and social costs, and other factors increase the demand for research, the returns to conducting the

⁶ Tabor SR, Faber D, eds. 1998. *Closing the loop: from research on natural resources to policy change*. ISNAR and ECDPM, The Hague.

⁷ Clay EJ, Schaffer BB. 1984. *Room for manoeuvre; an exploration of public policy in agricultural and rural development*. Heinemann Educational Books, London.

⁸ Omamo SW. 2003. *Policy research on African agriculture: trends, gaps, and challenges*. International Service for National Agricultural Research (ISNAR), Research Report no. 21. ISNAR, the Hague.

⁹ Norton G, Alwang J. 1998. *Policy for plenty: measuring the benefits of policy-oriented social science research*. IFPRI, Washington.

research also increase.

- The political costs of decision making can greatly affect the odds that policy advice will be followed. These costs are influenced by the political power of interest groups. This, in turn, is influenced by the cost of collective action. The latter depends in part on the size and homogeneity of interests of the groups, with small homogeneous groups often exercising substantial power. Also, the larger the potential total benefits associated with a policy change, the greater the likelihood that it will be adopted.
- Understanding why a society adopts its policies is crucial for predicting whether a proposed piece of policy research will change it. (The most difficult aspect for an ex ante evaluation is to assess the probability that policy recommendations will be adopted.)

A key challenge will be how to simplify the complexity of how research evidence contributes to the policy process. PAAP will achieve this by keeping abreast of external environments—changes in global, regional and national economic and social environments such as multilateral and bilateral donor policies and regional integration—that affect policy processes. PAAP will seek to improve understanding of mechanisms affecting how evidence gets into policy through better analyses of the political context, which includes people, institutions and processes. The section on strategic intent of policy advocacy towards the end of this document elaborates on this concept.

The next section presents major trends that will drive or shape the policy arena in ECA. This informs the context for identifying programme areas that PAAP should focus on in the next six years.

Major trends affecting agricultural and rural development

It is projected that the expansion of the world economy witnessed in the last five years will be maintained in 2008 and in the near future. There will be dramatic changes in global agriculture and commodity markets driven by a combination of factors such as urbanization, which will fuel unprecedented dietary preferences, and climate change, which will increase the frequency and severity of droughts and floods. Grain prices are escalating, the cost of fossil fuels is rising. Growing rapidly is the demand for commodities from Africa and elsewhere of two large countries with prolonged economic growth—China and India. For Africa, this may portend positive tidings from strong demand for primary commodities. On the downside, Africa may face fierce competition for traditional exports and finished goods from the two giants.

Globally, agriculture is regaining prominence as a vehicle for poverty reduction and sustainable development. It was projected that in 2008 and the near future, Africa will continue growing in tandem with the rest of the world at 6% and the trend will persist as it has done since 2000. This growth has been attributed in part to high demand for key commodities (minerals and oil) in a few countries, and generally to policies that have led to stable macroeconomic environments, more open trade, private sector participation, improved governance by tackling corruption, which has gained the support of the World Bank, and continent-wide peer review mechanisms.

At the continental level there are efforts to tackle common problems, to share resources such as water and hydropower, and to develop regional infrastructure. Examples are the Africa Union's New Partnership for Africa's Development (NEPAD)¹⁰ and follow up declarations by heads of State, for example, the Maputo Declaration of 2003 to increase funding to agriculture to at least 10% of national budgets, and the Abuja Declaration of 2006 on food security. ECA is witnessing economic integration through several trading blocs. The shift to multiparty democracy that kicked off in the late 1980s has gained momentum with several countries in or entering into their third multiparty governments. Most countries have exhibited and sustained positive economic growth for most part of this decade and indications are those trends will improve or be maintained. These key trends and their bearing on regional policy research form the basis of the discussion in this section.

Globalization and regionalization of trade

The MDGs are a response to the world's main development challenges and two are relevant to ASARECA: MDG 1 to eradicate

¹⁰ <http://www.nepad.org/>

extreme poverty and hunger, and MDG 7 to ensure environmental sustainability by 2015. Their aims are to halve the proportion of the world's people living on less than one dollar a day, and to integrate the principles of environmental sustainability. Despite the economic gains made in ECA, tackling poverty and hunger still remains elusive and many countries will miss the MDG targets. This calls for urgency in spreading and sustaining economic growth to avoid returning to past stagnation and collapses that erased previous gains.

Globalization is the increasing integration of the world economy, society and culture. This has gone in tandem with liberalization of domestic markets to the forces of supply and demand. In terms of national economic regulation, many African countries fear that they may end up losing most of their policy autonomy and come under pressure from both the global regulatory forces expressed through the World Trade Organization (WTO), and conditionalities of international financial institutions. Recent WTO rounds of negotiations have stalled and the African Caribbean and Pacific countries are negotiating economic partnership agreements (EPAs) due in 2008 with the European Union.

Eastern and southern African states are involved in several overlapping regional and subregional agreements encompassing trade, political and economic cooperation (figure 1). Prominent economic blocks are the Common Market for Eastern and Southern Africa (COMESA), the Southern African Development Community (SADC), the East African Community (EAC), the Inter-governmental Authority on Development (IGAD) and the Indian Ocean Commission (IOC). These together with the countries' very different sizes, backgrounds, natural features and economic interests make the internal regional integration process complex.

Regional cooperation has the potential to support national development strategies, but to do so it has to extend beyond trade liberalization to include policy areas that strengthen the potential for growth and structural change. These include macroeconomic and financial management as well as trade support and industrial policies. However, the tendency to give priority to market forces in determining factor allocation is reflected in the rapidly increasing number of regional and bilateral free trade agreements.

Stronger and more influential regional integration

In 2001, African heads of state adopted the strategic framework to develop an integrated socio-economic development framework for Africa, dubbed the New Partnerships for Africa's Development (NEPAD) under the auspices of the African Union (AU). A key aim of the AU is to accelerate the process of integration in the continent to enable it to play its rightful role in the global economy. It took over from the former Organization of Africa Unity (OAU), which had similar aims. NEPAD as an operational arm of the AU is designed to address the current challenges facing Africa. It aims to tackle escalating poverty, underdevelopment and continued marginalization in new and radical interventions, and is committed

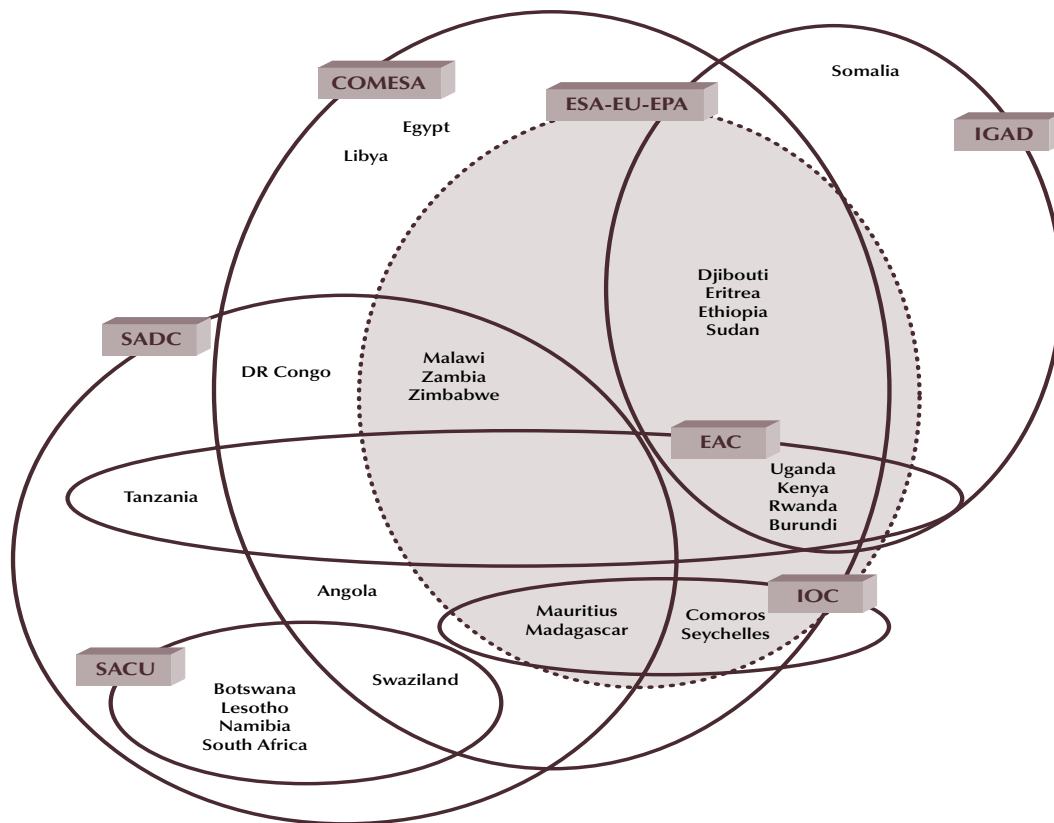


Figure 1. Overlapping membership in regional integration groups in northern, eastern, central and southern Africa.¹¹

to Africa's renewal. NEPAD promotes the Comprehensive African Agricultural Development Programme (CAADP), the Short-Term Action Plan for Infrastructure (STAP), the NEPAD Environment Initiative, the NEPAD Health Strategy Peace and Security, and the African Peer-Review Mechanism.

Comprehensive Africa Agriculture Development Programme

CAADP was established under NEPAD in 2003. CAADP aims at increasing agricultural growth rates to 6% per year to create the wealth needed for rural communities and households in Africa to prosper.

To achieve this goal, CAADP directs investment to four mutually reinforcing 'pillars' each of which incorporates policy, institutional reform and capacity building:

- extending the area under sustainable land management and reliable water control systems
- improving rural infrastructure and trade-related capacities for improved market access
- increasing food supply and reducing hunger
- agricultural research, technology dissemination and adoption

CAADP's specific targets are to see that agricultural productivity is improved, there are dynamic agricultural markets within the

¹¹ Adapted from *InBrief* no. 14E, November 2006, European Centre for Development Policy Management. www.ecdpm.org/inbrief14e, p 4.

countries and between regions, and farmers are being integrated into the market economy and have improved access to markets to become net exporters of agricultural products. Being a strategic player in agricultural science and technology development, CAADP encourages environmentally sound production methods and a culture of sustainably managing the natural resource base.

While a few countries (Angola, Ethiopia, Ghana, Ivory Coast, Malawi) are above the target set in the Maputo Declaration of investing 10% of GDP in agriculture, several (Kenya, Mozambique, Tanzania, Zambia) are above 5%, and the majority are below 5%. In 2006, COMESA launched CAADP country roundtables (in Ethiopia, Kenya, Malawi, Rwanda, Tanzania, Uganda and Zambia) to identify gaps and areas to be considered in the CAADP framework.

For the eastern and central African subregion, COMESA will coordinate implementation of CAADP pillars 1–3, while the Forum for Agricultural Research in Africa (FARA) will provide leadership for pillar 4. In 2006, FARA produced the Framework for African Agricultural Productivity (FAAP) to guide and assist stakeholders to meet the objectives of CAADP pillar 4 (i.e., agricultural research, technology dissemination and adoption). FAAP emphasizes empowering farmers, livestock producers and their organizations; strengthening public and private institutions; promoting and harmonizing internal and external actions and actors; and generating increased investment.

Common Market for Eastern and Southern Africa

The Common Market for Eastern and Southern Africa (COMESA)¹² is the largest grouping and trading bloc in the region as well as the most advanced in terms of scope of economic integration. It came into being in 1994 following the transformation of its predecessor, the Preferential Trade Area for Eastern and Southern Africa (PTA), which was established in 1982 with the aim of forming an economic community in the region. COMESA has a membership of 19 states with a combined population of nearly 400 million people. It aims to establish a free trade area, gradually eliminating tariffs on products originating from within its borders. This schedule provides for variable speed to allow countries to make the necessary adjustments before joining. The next step on the COMESA integration agenda is a customs union in December 2008. COMESA has also established trade and investment instruments including the Eastern African Trade and Development Bank, the African Trade Insurance Agency and the COMESA Common Investment Area.

The aims and objectives of COMESA have been designed to remove structural and institutional weaknesses in member States by pooling their resources together to sustain development efforts either individually or collectively.

¹² <http://www.comesa.int/>

East African Community

The East African Community (EAC)¹³ is committed to bringing closer

economic cooperation to the republics of Burundi, Kenya, Rwanda, Tanzania and Uganda, which have a combined population of 120 million people. It came into being in 2000. Over time, it has created an East African Legislative Assembly and an East African Court of Justice. A customs union was established in January 2005, and the EAC Treaty provides for the next steps to becoming a common market, a monetary union by 2009 and finally a political federation by 2012.

The EAC strategy emphasizes economic cooperation and development with a strong focus on social dimension. The private sector and civil society's roles are considered central and crucial to regional integration and development in a real partnership with the public sector. Regional cooperation and integration are envisaged as broad based, covering trade, investment and industrial development; monetary and fiscal affairs; infrastructure and services; human resources, science and technology; agriculture and food security; environmental and natural resource management; tourism and wildlife management; and health, social and cultural activities. The PAAP agenda will be aligned with CAADP, implying close collaboration with COMESA and EAC, but will share experiences with SADC.

Increasing concern for environmental sustainability and safety

Long-term warming of the climate system is unequivocal as is now evident from observations in global average air and ocean temperatures, wide melting of snow and ice, and rising global mean sea level. The impacts of climate change will range from affecting agriculture and thus further endangering food security, to accelerating erosion of coastal zones, increasing the intensity of natural disasters, species extinction and the spread of vector-borne diseases.

In the short to medium term, increasing uncertainty and risks from yearly fluctuations will require urgent policy action. In the face of uncertain climate, farmers tend to 'play safe', adopting conservative management strategies. They choose not to invest in new technologies and opt for less risky but also less profitable crops, even when climate conditions are good. Reducing this uncertainty could have a direct effect on their livelihoods, as farmers become more confident that they can boost their productivity by innovating their practices in accord with climate variability and climate change. Incorporating climate information into policy and development efforts to strengthen livelihoods has the potential for synergistic results, but this will require analyses to identify entry points for diverse target groups that may include improving agricultural productivity, diversifying on- and off-farm activities, providing better access to markets and market information, and improving infrastructure.

Changing markets towards diversification, specialization

¹³ <http://www.eac.int/>

Today, fresh agricultural produce is transported around the world according to the comparative advantages of the regions of origin in terms of production costs, quality and period of supply. At the same time, consumer demands for quality and safety are growing. As a result, private traders have increased product quality standards, e.g., import regulations of the United States and the EU prescribe food safety standards that go beyond WTO requirements. Both factors imply that the productive processes must be managed in an integrated manner: all along the chain from the primary producer to the consumer. The same applies to the supply systems of urban supermarkets in ECA. One important consequence of the emergence of chains is that not only are individual producers competing for the market, but so are entire chains. The productive chains and entire agricultural subsectors increasingly function as systems with their own market-integration rules. More information is available and awareness is growing among many consumers, who do not accept systems of production that fail to respect social and ecological values.

Small-scale producers must also follow these rules if they are to get ahead. In reality, productive chains already constitute the dominant model of trade organization, at least for subsectors that have the highest growth potential. In this scenario, the potential for rural economic development would remain very limited if the promotional strategies were based exclusively on traditional agricultural production, frequently oriented to supply rather than the market. To make economic progress, rural producers must not only improve quality and offer new products with greater value added. What will also be required are organizational arrangements that link and coordinate producers, processors, merchants and distributors of specific products. They will also require a knowledge system combining information, technology and skills to coordinate production and marketing, and achieve high-quality of produce.

Increasing competition between food and energy

The rising cost of fossil fuels and increasing food prices are at the core of the debate on biofuels. Growing crops for biofuels can help increase the incomes of farmers in ECA and also assist in lowering expenditures on fuel. Since ECA countries consume much less energy than developed ones, a biofuels export market is ripe for exploiting. EAC countries have the climates and growing seasons suited to growing cassava, sugarcane or oil palm trees, currently the feedstock most efficient for conversion to ethanol and biodiesel.

Harvesting biomass for energy production introduces concerns about environmental sustainability. In food-insecure places, the wisdom of devoting land to fuel feedstock is debatable. Although biofuels occupy enough grey area in the realm of public policy their application is rapidly increasing and their implication on food security, the environment and livelihoods cannot wait for slow decisions from bureaucrats. Technology is moving forward quickly and sound, informed decisions need to be made sooner rather than later. Implied in the biofuels debate are the repercussions that unrestrained energy consumption, rising food demand and an

increasing world population will have on the habitability of the world. Debate on these alternative energy sources is timely and necessary because it has implications for many policy areas. The challenge will be to create a policy environment that appropriately maximises the promises of biofuels while minimizing potential negative effects on agriculture and the environment.

Biotechnology and concerns for biosafety

Biosafety is a highly technical field, which typically requires high initial investment to build the necessary human resource capacity and institutional infrastructure (including laboratories and greenhouses for assessing risk or testing and identifying genetically modified organisms [GMOs]). Cooperation and coordination can enable countries with common needs and priorities and facing similar circumstances to pool together resources and tap each other's experience, expertise and (research for development) R4D facilities. Biosafety issues transcend national boundaries. For countries with limited resources, regional cooperation is a realistic option for accessing and gradually building the necessary capacities to effectively implement the Cartagena Protocol on Biosafety.¹⁴ Article 14 of the protocol states that countries may enter into bilateral, regional and multilateral agreements and arrangements to manage transboundary movement of GMOs. The push for regional integration and creation of free trade areas is expected to reduce trade barriers and facilitate unrestricted movement of goods and services among countries. However, under these arrangements, regulating trade in products that contain or may contain GMOs and transboundary movement of GMOs across porous borders is going to be a formidable challenge, and policy intervention and coordination are required.

Science and technology as drivers of economic growth

Although technologies are not the only factors determining farmers' success, having access to improved inputs, proven methods and critical knowledge can make a significant contribution to agricultural production. In addition, recent advances in scientific disciplines not ordinarily associated with agriculture, such as remote sensing, energy science and nanotechnology, are expanding the scope of possibilities for new agricultural applications. In ECA, yields of most crops are below African and global levels except for cassava, beans, coffee and tea¹⁵. This low productivity has been blamed in part to low levels of public investment in research and development. This has been compounded by decline in official development assistance to African agriculture for the last two or so decades. In contrast, the economies that are fast growing are viewing science and technology as strategic drivers of economic growth. In 2004, China invested 1.4% of GDP in research and development (R&D), India 0.85%, and Latin American countries an average of 1%. Increasing number of other Asian and Latin American countries, and some African countries through mineral

¹⁴ The Cartagena Protocol on Biosafety to the United Nation's Convention on the Conservation and Sustainable Use of Biological Diversity, adopted by the Conference of the Parties to the Convention on 29 January 2000. <http://www.biodiv.org/biosafety>

¹⁵ Omamo SW, Diao X, Wood S, Chamberlain J, You L, Benin S, Wood-Sichara, Tatwangire A. 2006 Strategic priorities for agricultural development in Eastern and Central Africa. IFPRI Report 150. IFPRI (International Food Policy Research Institute, Washington, DC. Available at <http://www.ifpri.org/pubs/ABSTRACT/rr150.asp#dl>

and oil development are beginning to reach this target. In sub-Saharan Africa, the average annual spending on agricultural R&D as a share of agricultural GDP through the 1990s was 0.8%. African countries are additionally disadvantaged by the fact that the specificity of their agro-ecological features leaves them less able than other regions to benefit from international technology transfers and the small size of many of these countries prevents them from capturing economies of scale in agricultural R&D. However, pressure is mounting for sub-Sahara African countries to increase investments in agriculture and R&D. The IAC Report¹⁶ estimates that an increase in agricultural R&D expenditure to 1.5% per year of national GDP is required. CAADP report estimates that if the MDGs are to be met, 10% of national budgets should go to the agricultural sector and at least 2% of GDP should go to national agricultural R&D by 2010. Progress toward these targets in ECA has been slow to negligible and shrouded in the debate on what fits in the definition of agriculture.

¹⁶ [IAC] InterAcademy Council. 2004. Realising the promise and potential of African agriculture. IAC, Amsterdam, The Netherlands. <http://www.interacademy council.net/?id=8525>

Areas of focus for the Policy Analysis and Advocacy Programme

A cascading approach was applied in formulating programme areas for PAAP for 2008 to 2013. First, the broad issues for policy and advocacy in the region were identified. The most important that related to ASARECA's goal and mandate, and hence to PAAP, were selected. Five criteria guided selection: 1) they be strategic; 2) be in line with CAADP in the new ASARECA strategy and other regional frameworks; 3) add value to the region and harness spillovers; 4) have a high likelihood of success and beneficial effect in policy and advocacy in R4D in the next three to six years; and 5) have clients voice and a real demand for them.

Four themes were identified:

- Analyses of trends
- Rationalization, harmonization and advocacy of policies and legislation
- Analysis of policy issues for natural resource management
- Options and opportunities for small-scale agricultural growth

Theme 1 – Analyses of trends

Rationale

ASARECA intends to expand its initiatives and leadership in linking research to the political dialogue in COMESA and EAC. To do that ASARECA will monitor political and institutional changes in the regional environment and provide representation in such forums. This will involve analysing trends to determine if they are short-term spikes, cyclical or long-term changes, and their implications. This theme will inform policy processes by providing insights into the underlying factors that contribute to observed trends and will propose remedial action, for example, on the positive economic growths by some countries and how they can sustain these growth levels, and how other countries can attain them. The theme will strengthen analytical and monitoring functions by comparing and contrasting agricultural development paths of individual countries in economic, social and environmental terms. It will increase analytical capacity in interrelationships among agricultural performance, macroeconomic policies and external shocks such as climate change; and set up a monitoring and surveillance system of public–private investment in key areas and of pressure on natural resources. It will inform risk minimization through advocacy for mitigating strategies. Demand for these services spans regional interests, reinforcing the need for collective regional action to address concerns that may require action of individual nations.

Analysis of trends will involve monitoring key variables (macro and micro), analysing the way they change over time and using those results to inform regional policy processes such as the CAADP agenda (for example, progress towards attaining accordance with the Maputo and Abuja Declarations) and will advise on strategies required to attain desired goals. These outputs will be ingredients for planning and for setting up early warning systems to mitigate or reverse negative trends. At later stages the databases will boost evaluation of research and development activities by providing time series data.

Hypothesis: Availability of up-to-date information on trends in key variables will improve planning for R4D, guide policy decisions and targeting of investments to agendas that have potential high pay-offs and provide early warning for targets that may be missed.

EXPECTED OUTPUTS

- indicators for trend analyses
- databases (disaggregated into sectoral and subsectoral, household levels)
- strategies for achieving desired goals

These outputs will target different audiences—researchers, policy makers—and will be published in appropriate formats—research reports, policy briefs—to suit the end users and will be disseminated through diverse forums.

EXPECTED OUTCOMES

- increased use of knowledge and information for dialogue and decision making
- meta-data and information that are comparable across ECA, which will aid efforts to harmonize peer review data collection, reporting and analysis

EXPECTED BENEFICIAL EFFECTS

- better targeting of interventions for sustainable agricultural development
- increased well-being of farmers in ECA

CHALLENGES AND GAPS IN ACHIEVING RESULTS

- Data: access, reliability, timeliness, and differences in definition or concept, e.g., what constitutes ‘agriculture’ in government reporting across different countries and non-compatible or comparable data systems and storage by national bureaus of statistics
- Resources: human, technical and financial to conduct analysis and engage in advocacy
- Tools, methods and approaches: access, adaptation and building capacity to utilize them

- Information: how to package it and find opportunities to feed it into policy debates and forums

STRATEGIES THAT WILL LEAD TO RESULTS

The analyses will track changes in macro- and microlevel (sectoral and household) variables that may include demographic characteristics (e.g., population density, health status); economic performance (e.g., GDP); governance (e.g., decentralization); public expenditure, (e.g., in agriculture, education); livelihood improvements (e.g., poverty reduction, changes in productivity, prevalence of HIV and AIDS); public and private investment in environmental sustainability, (e.g., conservation of natural resources). Trend analyses will analyse achievement of MDGs, identify ex ante and ex post returns to investment and areas for advocacy, and will build capacity in those areas. Advocacy will be carried out through engagement with existing structures such as COMESA and EAC for CAADP processes in the region. Analyses will be carried out in partnership with the Regional Strategic Analysis and Knowledge Support Systems (RESAKSS), the Consultative Group for International Agricultural Research (CGIAR) centres, universities, national statistical agencies, policy think tanks, FAO and other development agencies. Partners will be selected on the basis of expertise and capacity and all jointly agree on how to address the problem, will share datasets and carry out joint analyses and advocacy. Partners will lead in analysis while PAAP will lead in advocacy.

KEY RESEARCH QUESTION

What strategies are required to ensure that the goals and targets set by the MDGs, CAADP, Maputo and Abuja Declarations and other initiatives are achievable in ECA given the existing trends?

Theme 2—Rationalization, harmonization and advocacy of policies and legislation

Rationale

Rationalizing aims at changing the way business is done to increase efficiency or reduce waste. It focuses on how a country conducts business in a given subsector, and determines what should be done to make business more efficient. Harmonizing brings together regionally different approaches (policies, laws, regulations and procedures) into a unified strategy. This process allows commodities and factors to move freely across national boundaries, and in the process improves domestic and foreign investment by expanding markets beyond national borders. Rationalizing and harmonizing apply to agricultural inputs (e.g., seed, fertilizer), commodity systems (e.g., staples, livestock and livestock products), trade (e.g., tariff and non-tariff barriers), and application of technologies (e.g., biotechnology, biosafety). ECAPAPA's experience in these is summarized in box 1.

Box 1. ECAPAPA's achievements in rationalizing and harmonizing policies, laws and regulations

Seed sector

ECAPAPA facilitated seed technical working groups, joint seed certification exercises and review of seed policies and regulations. These resulted in certification procedures being revised, and variety release and registration and import/export procedures being harmonized in Kenya, Rwanda, Tanzania and Uganda. Variety release now takes one season: formerly it took three years. Seed acts were revised and implemented in Rwanda in 2003 and in Tanzania in 2004. Tanzania's Plant Variety Protection Act of 2003 was operationalized with the establishment of the Tanzanian Official Seed Certification Institute to follow seed testing and quality control. In Burundi guidelines for implementing the Plant Breeders Act of 2002 and Seeds Act of 2003 were reviewed. Sudan's Seed Act was revised in 2006, Uganda's Seed Act and Plant Variety Protection Bill received approval in early 2008 and efforts to merge Kenya's three seed acts into one are in progress.

In 2004 the Regional Seed Working Group was transformed into an expanded Eastern Africa Seed Committee (EASCOM) by bringing together public and private sector players to jointly address seed issues in the region. In 2006, EASCOM published handbooks on national and regional variety lists and standards, which are being considered by the ministries of Agriculture in Kenya, Rwanda, Tanzania and Uganda. Draft lists of quarantine pests and seed certification standards for Kenya, Rwanda, Tanzania and Uganda were produced. The number of quarantine pests has been reduced from 33 to 3.

National seed trade associations have been established in Ethiopia, Kenya, Madagascar, Rwanda, Tanzania and Uganda. They spearhead seed policy, legislation and regulatory reforms necessary for the growth of the seed sector. Seed companies in Kenya grew from 17 in 1995 to 37 by 2007, in Tanzania from 13 in 2000 to 19 in 2007, and in Uganda from 5 in 2000 to 12 in 2006. Such growth breeds competition and augers well for broadening national and regional markets.

Cassava and potato sectors

Projects on cassava and potato were initiated in 2006, due to the strategic position that staples, especially cassava and potato, hold in the regional drive to reduce poverty. Issues that needed to be rationalized and harmonized were identified for Ethiopia, Kenya and Uganda for potato and for Kenya, Madagascar and Uganda for cassava. Policy and standards committees headed by staff from the ministries of Agriculture and the bureaus of standards have developed draft quality standards for potato crisps, cassava planting material, cassava chips, cassava total cyanogens, cassava flour and composite flours in Ethiopia, Kenya, Madagascar and

Uganda. Draft policies to support potential contributions of cassava sector to food security, incomes and employment through increased production, value addition and trade have been developed in Kenya and Uganda.

Informal dairy sector

The informal dairy sector project was initiated in 2004 with the objective of integrating informal milk traders into the formal value chain. Regional consultations have led regulatory authorities in Kenya, Rwanda, Tanzania and Uganda to adopt common training curricula and specifications for hygienic milk-handling equipment. Eight harmonized generic training guides have been published. An agreement on criteria for accrediting existing public institutions and private business service providers and for certifying milk traders has been adopted. After the training, traders are accredited through branding as handlers of quality milk, improving on the negative perceptions of the informal milk trade in the region. The East Africa Dairy Regulators Authorities Council (EADRAC) was formalized in 2007 and is spearheading advocacy for policy reform in the sector. Positive effects include an increase in the number of informal milk traders, and increased volumes and quality of milk traded in the region.

Regional biotechnology and biosafety policy in eastern and southern Africa

The Regional Approach to Biotechnology and Biosafety Policy in Eastern and Southern Africa (RABESA) came about in 2001 after concerns were raised by ministers of Agriculture in the COMESA region that current and future proliferation of genetically modified organisms (GMOs) in the absence of harmonized biosafety policies could significantly affect trade and food security. Studies and stakeholder consultations in Egypt, Ethiopia, Kenya, Uganda and Zambia on the impact of GMOs on commercial export risks, farm incomes and emergency food aid revealed that farm incomes would increase if they switched from conventional varieties of cotton and maize to their GM counterparts. Commercial risks associated with exports to GM-sensitive destinations such as the EU were negligible since potential exports to the EU have not been commercialized yet in GM form. However, intraregional trade would be affected because exports of GM-sensitive commodities such as maize and cotton mainly go to other African countries. Efforts to keep the COMESA region free of GMOs would reduce access to needed food imports under emergency circumstances. These findings justified the need to consider a regional approach to biosafety and led to development of a regional position, which was approved at the COMESA Agriculture Ministers meeting held in March 2007.

The domestic and regional seed trade in sub-Saharan Africa is constrained by regulations and policies that were established when most plant breeding and formal seed production were in the hands of the public sector. Each country developed its own seed regulatory regime, which constituted a barrier to seed trade and inhibited the spread of new varieties beyond national boundaries. This explains why the commercial seed sector in sub-Saharan Africa accounts for less than 2% of the estimated levels of international seed trade.

Several reasons support the need and justification for harmonized biosafety and biotechnology policies. There are concerns with growing, producing and using GMOs. The benefits of biotechnology should be harnessed with minimal risks. Biotechnology and biosafety are specialized fields, and information should be shared and capacity built in these areas. Other reasons include challenges of intellectual property rights, and access and benefit sharing in material transfer agreements.

Recent analysis shows there is increasing demand for dairy products and other animal-based foods in sub-Saharan Africa and other developing regions as a result of rapid population growth, urbanization and increasing purchasing power. This projected growth in demand provides market opportunities and benefits for dairy industries in this region. The benefits include income-generating opportunities for producer households and also for rural and urban market intermediaries, through their participation in processing and marketing. A prerequisite for increasing intraregional trade is rationalizing and harmonizing policies, procedures, regulations, rules, standards and grades that govern the dairy subsectors in individual countries and harmonizing them between countries. An important underlying consideration is the ability of individual countries to effectively implement and enforce the agreed on standards.

Hypothesis: Rationalization and harmonization efforts will promote the diffusion of promising technologies and enhance inter- and intraregional trade, contributing significantly to general welfare and livelihoods.

In summary, it was agreed that undertaking assessments or audits on the effects of planting, trading and receiving food containing GMOs should be a regional responsibility lead by COMESA. Decisions to plant, trade in or receive GMO food aid should be left to member States. A panel of experts should be constituted to advise on the implementation of the agreements, and centres of excellence to assess risks should be established for the region. Draft biosafety bills in Kenya and Uganda are in parliament. RABESA also informed the establishment of a similar regional approach, the Regional Approach to Biosafety in Southern African Countries (RABSAC), which covers Malawi, Mauritius and South Africa.

EXPECTED OUTPUTS

- issues for rationalization and harmonization in key sectors to be identified
- policy options to be analysed and policy reforms advocated at national and regional levels
- ex ante and ex post impacts of policy reforms to be demonstrated

EXPECTED OUTCOMES

- policy reforms that provide enabling environment in the agricultural sector for increased private sector investment
- barriers to trade and investments removed
- productivity (low input : output ratios) increased
- participation in agricultural markets enhanced
- competitiveness in trade increased

EXPECTED BENEFICIAL EFFECTS

- increased trade (within countries, intra- and extraregional)
- increased incomes, employment
- declining poverty
- increased food security
- improved nutrition, welfare, (e.g., easier commodity movements to ensure levelling of surplus and deficit areas)
- increased commercialization of smallholder agriculture
- stimulated factor pull productivity.

CHALLENGES AND GAPS IN ACHIEVING RESULTS

Challenges include lack of sufficient capacity and a critical mass in policy analysis, lack of skills in communication and advocacy, non-conducive political environment and will to implement proposed policies, and lack of data. Forging successful public-private partnerships is difficult, takes time and requires resources. Delays in legislating policies may slow down or even negate progress made to rationalize and harmonize policies. Multiple membership in different economic blocks can complicate harmonization efforts (such as Tanzania being a member of EAC and SADC but not of COMESA, where most ASARECA countries are).

STRATEGIES THAT WILL LEAD TO RESULTS

Policy analysis will generate evidence to support advocacy to EAC and COMESA together with relevant stakeholders for sector- or commodity-specific issues. An advocacy strategy that clearly differentiates those for, indifferent to or against a particular policy, and how those indifferent or against it might be influenced will be developed. Advocacy strategies will be designed to target specific national ministries and agencies, regional platforms such as ministerial committees of COMESA, and parliamentary committees of the EAC.

KEY RESEARCH QUESTIONS

- What should be done to ensure that policy reforms proposed to rationalize and harmonize agricultural inputs (e.g., seed, fertilizer), commodity systems (e.g., cassava, dairy) and biosafety are implemented?
- What are the potential impacts and welfare implications of rationalizing and harmonizing to regional trade and technology application?

Theme 3—Analysis of policy issues for natural resource management

Rationale

Agricultural productivity in ECA per unit of natural resources, labour and capital invested is perhaps the lowest in the world, a fact closely related to escalating poverty, food insecurity and reduced real investment in managing ecosystems. Low productivity can be attributed in part to continuous cropping, soil erosion and nutrient mining. However, soils are only part of the complexity in natural resource management (NRM), which cuts across sectors (land, water, biodiversity), markets, and social and institutional issues. High human population pressure in high-potential areas is encroaching on rainforests and marginal ecosystems. Conflicts arise in the use of these resources and there are environmental concerns over long-term sustainability of these fragile ecosystems and biodiversity. Sustainable agricultural production in this context is defined as the ability of food systems to meet current and future demand with the same resource base.

Pressure to meet short-term demand for food, increasing food prices, demand for biofuels and climate change may result in unsustainable use of natural resources, such as the use of marginal land and rainforests to produce food and crops for producing biofuels, leading to weaker ecosystems and disrupting biodiversity. Short-term effects of climate change, such as floods and droughts, will affect food security and strain the current natural resource base. This is compounded by low awareness of technology options and poor access to capital to sustainably use and manage natural resources. This theme will lobby for incentives that encourage sustainable use and management of natural resources through better understanding and knowledge of national and regional policies for implementing such incentives on potential adaptation mechanism in the wake of climate change, and through policy that encourages sustainable production of biofuels that does not compromise food security and environmental concerns.

Social and institutional problems that challenge the use and management of shared (between communities and countries) natural resources (e.g., water catchments, forests) include limited capacity, sustainability, accountability, co-opting power and decision making, and exclusion. Formal legal structures have undervalued the rich traditional institutions, values, norms and rules

that provided the basis for collective action. This has resulted in problems in collective action and when sharing costs and benefits, exclusion of those who cannot share costs, snatching of benefits by some, lack of equity in shouldering the cost and receiving the benefits. Diverse land-tenure systems affect investment when they restrict individual use and lead to overuse and degradation in open-access systems. They may exclude certain groups, e.g., women, and often lead to conflict. Although success factors¹⁷ for enabling local institutions are documented, the methods to foster these are not well understood, and success stories of community-based integrated natural resource management are isolated.¹⁸

Important policy issues in natural resources include sharing costs of management and benefits from use of transboundary resources, handling plant and animal diversity across ecosystems that may cross national boundaries, appropriating benefits e.g., from bioprospecting, and protecting intellectual property rights. Policy research can contribute to poverty reduction by working together with biophysical scientists, community-based organizations and civil society working in natural resources to explore feasible options from emerging opportunities such as environmental services, bioprospecting, carbon sequestration, and linking farmers to markets for their value-added products.

¹⁷ Success factors include the ability to have good governance and accountability mechanisms; resolve conflicts; demand government support and services; bargain with the private sector; access input and output markets; implement local M&E; experiment and innovate with appropriate technology; equitably share costs and benefits.

¹⁸ ASARECA. 2005. *Natural resource management strategy 2005: natural resources management for agriculture, eastern and central Africa*. ASARECA, Entebbe, Uganda.

Hypothesis: Policies and institutional frameworks for natural resource management need to upscale and export successful methods and approaches if long-term gains in productivity and in enhancing livelihoods are to be ensured.

EXPECTED OUTPUTS

- policy options for adaptation and mitigation strategies in the light of growing population and urbanization, escalating costs of fossil fuels, market liberalization and effects of climate change
- demonstration of improved understanding of policy options for encouraging equitable and collective action in managing transboundary resources and enhancing market integration of small-scale farmers

EXPECTED OUTCOMES

- inclusion of policy information in policy planning processes to minimize adverse effects or to encourage investment

EXPECTED BENEFICIAL EFFECTS

- sustainable management and use of natural resources
- improved well-being of users

CHALLENGES AND GAPS IN ACHIEVING RESULTS

Methods to negotiate and resolve conflict, to enhance collective action for NRM, for organizational development and change, to facilitate joint action to improve NRM, and for policy dialogue are not well developed or tested. These methods will be developed and capacity to use them built.

STRATEGIES THAT WILL LEAD TO RESULTS

- analysis of policies related to responses to major drivers and impacts on NRM
- review of sectoral policies and potential impacts of integrated management of natural resources
- evidence-based policy research that will feed into advocacy strategies targeting regional bodies responsible for conflict resolution such as the Intergovernmental Authority on Development (IGAD)
- advocacy interventions that push for policies to strengthen the natural capital resource base through increased investment in support of NRM

KEY RESEARCH QUESTIONS

- What adaptation mechanisms are required to contain effects of climate change on small-scale agriculture with respect to environmental degradation and food security in the region?
- How can natural resource degradation be minimized under diverse land-tenure regimes?
- What are the gaps and opportunities in the existing policies, legislation and institutional frameworks for equitable use of transboundary resources for agriculture?

Theme 4—Options and opportunities for small-scale agricultural growth

Rationale

The green revolution that changed agricultural production in Asia is yet to be realized in Africa. In Asia there were strong public seed companies that took marketing risks, and had access to irrigation and better road systems. Most of Africa, and specifically ECA, is characterized by small and fragmented markets with low economies of scale, and by regional markets limited by non-tariff barriers and concerns over safety standards, and ability to produce consistent products, in both quality and quantity. Consensus is that while the green revolution in Asia was supply driven, it will be demand driven in Africa.

Smallholder farming is difficult and problematic, but it is still the only option for a large proportion of rural populations in ECA. Mixed smallholder farming systems are highly complex and are difficult to study satisfactorily. With high population growth,

land consolidation can reduce pressure on land if some people move off. However, limited employment opportunities in rural and urban areas, and sparsely populated marginal areas pose severe challenges to emigrating. Poverty characterizes many subsistence households and threatens the hope of transforming rural populations to achieve a better standard of living. The relationship between agriculture and poverty reduction shows that policy changes and practical action are needed for agriculture to contribute more effectively to pro-poor growth. Targeted actions are required—1) to enhance agricultural productivity and links from the producer to the market (develop infrastructure, provide market information), 2) in the era of globalization, to support pro-poor regional and international actions (fairer trading environments), 3) to provide links from input markets and enhance private sector participation in delivering goods (inputs) and services (credit and extension), and 4) to create enabling environments so that the poor participate in markets through organized resource–production–consumption chains, and 5) promote diversified livelihoods on and off farm. Policies that enhance scaling successful innovations and holistic development of rural areas will be encouraged.

Hypothesis: Opportunities to allow smallholder farming to contribute more to regional economic growth abound but will only bear fruit if key impediments are removed.

EXPECTED OUTPUT

- better understanding of policy and institutional support needed for small-scale pro-poor growth to be market led

EXPECTED OUTCOME

- policies and institutions that support smallholder-led agricultural development and that remove barriers to domestic and regional markets

EXPECTED BENEFICIAL EFFECT

- increased productivity and competitiveness of small-scale agriculture and improved livelihoods

CHALLENGES AND GAPS IN ACHIEVING RESULTS

Major challenges will be in increasing productivity of small-scale agriculture in spite of ever-reducing land sizes, improving efficiency of existing markets, achieving competitive advantage through value addition to capture other markets and chains, and organizing many small-scale producers and linking them to local and distant markets. Others include threats from urbanization (affecting demand for food and supply of labour) and climate change

(affecting what can be produced). These challenges will require innovative ways that straddle technology and policy interventions to increase productivity in a sustainable manner and manage natural resources. Other challenges are weak understanding of characteristics and dynamics of small-scale agriculture to generate relevant outputs that will successfully develop pro-poor markets, how to forge appropriate and strategic public–private partnerships and gain access to resources.

STRATEGIES THAT WILL LEAD TO RESULTS

PAAP's niche is in policy research and advocacy that support a conducive policy environment and institutions for smallholder-led strategies so as to achieve regional and global targets. Pathways out of poverty for smallholder agriculture could be increased productivity, increased market participation, sustainable use and management of natural resources, and increased trade.

KEY RESEARCH QUESTIONS

- What policies, institutions and organizational arrangements are needed to support development of small-scale agriculture in priority sectors?
- What are the impacts and policy implications of changing regional and global markets and trade policies on the competitiveness and welfare of small-scale producers in ECA?
- What policies and investments are needed for long-term sustainability of the natural resource base in ECA, in priority development domains? (including opportunities and threats of biofuels)

Integrating gender

The tendency is growing to mainstream gender in agriculture, recognizing the critical roles that women, who constitute over half the population of ECA, play in food production. Experience from projects undertaken by ECAPAPA and other sources show that gender concerns are important in relation to power and influence, control of resources, access to resources, gender relations, relationships within social groupings, and marginalization. These are also important considerations in research for development. Gender concerns cannot be incorporated in all programme areas because they may not be relevant; yet these concerns never succeed as stand-alone programme areas because gender-oriented programmes tend to get marginalized and, in some quarters, resisted. PAAP will ensure that previous achievements in gender analyses and mainstreaming by ECAPAPA are not lost. This will be done in two ways: 1) including gender in projects under analyses on opportunities and options for small-scale agriculture and policy issues for natural resource management, and 2) in advocating and facilitating application and upscaling of use of gender tools in relevant areas of other ASARECA programmes.

Strategic intent of policy advocacy

In Africa, researchers and policy makers rarely interact. Each side blames the other for policy failure. Researchers feel that policy makers do not always articulate researchers' information needs well, have demands that do not meet the timeframes that research requires and do not use research outputs when formulating policies. On the other hand, policy makers feel that research outputs are too lengthy and complicated and that only other researchers can understand them. Interacting with policy makers is not seen as part of the research process and is not rewarded in tangible ways. Several studies have acknowledged this disconnect between research and policy as a critical gap that needs to be addressed.¹⁹ Fortunately, there is significant experience and documentation²⁰ on which to build examples of practices where research evidence has been used to influence policy reforms.

Researchers wishing to influence policy and practice need to understand the context, evidence and links as the first part of the process. Experience on policy processes in ECAPAPA's seed and dairy studies and others identified several practices that researchers need to do to influence policy and practice, and how to do them. In the political context one needs to know the policy makers, identify those for and against, prepare for regular policy opportunities and look out for policy windows. One of the best ways is to work with diverse partners through commissions, and establish an approach that combines a strategic focus on current issues with the ability to respond rapidly to unexpected opportunities. Credible evidence is critical and has much more to do with one's long-term reputation than the scientific credibility of an individual piece of research. It is important to provide practical solutions to policy problems in familiar language and concepts. Action research using pilot projects to generate legitimacy seems to be particularly powerful. One has to make the most of the existing links by getting to know the other actors, working through existing networks, building coalitions and partnerships, and identifying the key individuals who can help. One needs people who can network with others, experts to absorb and process information, and good salesmen who can convince the sceptics. One may also need to use informal networks as well as more formal channels. Doing all of these things requires a wide range of skills. Researchers may not be adept in some of these skills, hence the need for partnerships with a wide range of interest groups.

¹⁹ New Partnership for Africa's Development (NEPAD), Comprehensive Africa Agriculture Development Programme (CAADP) (Johannesburg: NEPAD, 2006); Omamo SW, Bridging research, policy and practice in African agriculture, IFPRI Eastern Africa Food Policy Network, Network Report 10 (Washington, DC: International Food Policy Research Institute, 2004); [IAC] InterAcademy Council. 2004. Realising the promise and potential of African agriculture. IAC, Amsterdam, The Netherlands. <http://www.interacademycouncil.net/report.asp?id=6793>; Omamo SW, Policy research on African agriculture: trends, gaps, and challenges, Research Report no. 21 (The Hague: ISNAR, 2003); Sutton R. 1999. The policy process: an overview, ODI Working Paper 118 (London: Overseas Development Institute).

²⁰ ILRI, ECAPAPA, ODI. *Enhancing pro-poor policy outcomes*. Report of an ILRI/ODI/ECAPAPA workshop held at ILRI, Nairobi, 27–28 March 2007.

Hypothesis: Emphasizing the importance of self-awareness in the policy process will help avoid the decision/implementation dichotomy and will encourage responsible action at all stages of the process.

EXPECTED OUTPUT

- improved connectedness among researchers, policy makers and those who apply the policy so that they jointly work on solving problems that they have identified together.

EXPECTED OUTCOME

- behavioural change in research managers to integrate policy reform activities in formulating programmes and projects
- changes in the attitudes of policy makers to become members of research teams, participate in design and analyses and identify best bets
- researchers involved in implementing policies; improved communication between researchers and policy makers ultimately leading to increased effectiveness of research in policy processes

EXPECTED BENEFICIAL EFFECT

- improved investment and trade environments

CHALLENGES AND GAPS IN ACHIEVING RESULTS

Challenges to influencing policy change are in understanding how to address complex problems that span policy and political contexts and how to communicate with diverse audiences. Other challenges are how to generate credible evidence, balancing between scientific rigour and timely delivery of results, accommodating diverse points of view and interests and ensuring that research approaches and methods applied are uncontested. New skills may be required to handle unfamiliar tasks and tools.

STRATEGIES THAT WILL LEAD TO RESULTS

It is necessary to appreciate the sheer pragmatics of political life that are beyond our control such as parliamentary terms and timetables, procedures of policy making and capacities of institutions. These pragmatics mean that evidence-based policy making must be strategic as well as operational. This will build the evidence base for the next round of policy making. Further, evidence-based policy making and practice will be the first line of response to unanticipated events through identifying what is already known about the problem and what is not. Communications strategies will be required to address such question as these: Who needs to be convinced? What do we want them to do? What will convince them? What relevant material do

we have? What are the key messages, targets and media needed to reach wide audiences? Solutions will require partnership with organizations involved in advocacy for change.

KEY RESEARCH QUESTIONS

- Which factors influence the decision-making behaviour of policy makers and policy processes?
- What constrains researcher effectiveness in formulating and implementing policy?
- How can researchers and other partners enhance their influence in policy processes?

Operationalizing the strategy

Guiding principles

The five key principles that underpin ASARECA's operation plan (2007–2011) will guide the implementation of this strategy:

- *Delivery*: Dramatically improving the delivery of ASARECA's outputs and increasing the effectiveness of its regional agricultural research projects will require new emphasis on performance-based decisions relating to funding, contracts and personnel.
- *Subsidiarity*: Wherever and whenever possible, authority, responsibility and accountability will be delegated to the lowest level at which it is effective.
- *Continuity*: Current and future agriculture research supported by ASARECA will not be compromised with the change process.
- *Transparency*: Stakeholder involvement will be participatory and consultative. Information and communication systems will be established to keep all informed.
- *Conservation*: Much has been learned during the past 10 years of ASARECA's development. Systems, mechanisms and processes that work well will be incorporated into the change process to build a stronger, more effective organization.

ASARECA's guiding principles will be relevant in implementing this strategy:

- *Non-political*: serving member NARIs, donors and stakeholders in pursuing shared objectives in a non-political manner
- *Balanced objectives*: respecting national priorities with respect to economic growth, social welfare and environmental quality
- *Holistic approach*: strengthening agricultural innovation systems at the commodity, national and regional levels while validating the role of NARIs
- *Enhanced capacity*: strengthening the role and capacity of member NARIs to meet new challenges and seize new opportunities
- *Solidarity*: making conscious efforts to support smaller NARS and those emerging from crisis
- *Facilitation of regional collective action*: serving as a vehicle of member NARIs to
 - make spillovers happen across national boundaries
 - achieve economies of scale and scope in research
 - produce regional public goods
 - provide a mechanism to share benefits and costs of collective action
 - find research solutions to transboundary problems: 1) enhance scientific excellence and creativity through

collaboration; 2) apply results in all regional activities—
impact orientation will promote grassroots effectiveness

Governance and management

Four levels of governance will guide implementation of this strategy: 1) ASARECA Board of Directors and directorate, 2) a technical advisory committee, 3) programme managers, and 4) project leadership units. Through the directorate, the Board of Directors will watch that PAAP's strategy is implemented and accomplished and will provide overall policy direction. A technical advisory team of about seven members will be responsible for overseeing the defining and implementation of the PAAP strategy. It will comprise a balanced combination of policy experts sourced from international and advanced institutes, policy think tanks, universities and the private sector in the region and beyond. Members will be required to have a broad understanding of the ASARECA region and will form an indirect mechanism for capacity building and advocacy for PAAP. The technical advisory team will meet at least once a year, and members will serve for three-year terms, renewable once.

The technical advisory committee will replace ECAPAPA's steering committee and will:

- advise the Board of Directors through the directorate on PAAP's strategy and projects
- provide technical guidance and backup to the programme management unit
- assist in developing and implementing annual work programmes within the framework of the strategy
- guide the design of regional projects necessary to meet the objectives of the PAAP strategy
- supervise, monitor and evaluate the implementation of PAAP's project activities
- serve as primary resource persons to advise and make recommendations on new initiatives of a strategic or emergency nature proposed by NARS, the directorate and donors, such as post-disaster or post-conflict rehabilitation and development

The programme management unit will oversee the development and implementation of projects and will:

- provide a mechanism for regional coordination to harmonize projects and activities
- develop and implement fund-raising strategies and activities for implementing the PAAP strategy

For programme management, ASARECA rules and procedures such as the competitive grants scheme will guide implementation of regional projects. This coalition of partners—NARS scientists, NGOs, extension service, the private sector, policy makers and civil society organizations—will emphasize generation of public goods for the region, under the leadership of the relevant NARS.

²¹ The procedures and guidelines for executing competitive and commissioned grants were approved by the Committee of Directors on 2 July 1999 and by USAID Regional Development Support Office-Eastern and Southern Africa on 20 May 1999.

Projects will be designed to run for at least three years if they are to give desired results. Project leaders will manage the projects, fulltime or part-time. Engagement will be guided by balancing between regionality, complexity of issues, field specificity and competencies required. Project leaders will be recruited regionally and will work under the supervision of the programme manager. For subprojects within projects, regional resource persons will be contracted from leading partners for fixed periods in a year and will work under the guidance of the project leaders.

Monitoring, evaluation and learning

ASARECA has a strong monitoring and evaluation (M&E) unit and PAAP will work with it to develop a set of indicators that will be applied in project implementation. PAAP's activities will be aligned to the ASARECA purpose and goal and will focus on result area 3 (policy options for enhancing the performance of the agricultural sector in the ASARECA subregion facilitated), area 4 (capacity for implementing agricultural research in the IAR4D paradigm in the ASARECA subregion strengthened), and area 5 (availability of information on agricultural innovation enhanced).

PAAP will adopt a participatory monitoring, evaluation and learning approach as the main mechanism for generating information with which to monitor activities, milestones and results indicators. Stakeholders and policy makers will be involved in research and advocacy and will disseminate the important results and other relevant information to the wider audience in the region. Project implementers will continuously monitor progress as part of the social learning process. External evaluation of the strategy and the results will be carried out at the middle (2010) and at the end in 2013. The programme manager and project leaders will be responsible for implementing, monitoring and evaluating the strategy.

Implementation of projects is guided by ASARECA procedures¹¹ that recognize commissioned studies, competitive grants and mixed-team approaches. Commissioned studies are used where there is inadequate capacity to carry out the specific task and centres of specialization are approached to carry out the activities. Examples include ECAPAPA's studies on rationalization and harmonization of seed, fertilizer, dairy and biosafety policies, laws and regulations. Competitive grants will be employed where it is felt that there is sufficient pool of capable individuals who can compete. Examples of competitive grants are ECAPAPA's gender and natural resource use and management projects. Mixed-team concept was adopted when it was realized there was generally low and varied capacity for policy research and analysis across different institutions. This concept encourages and facilitates formation of partnerships when researchers from different institutions complement each other.

The programme will employ principles based on ASARECA's revised principles of performance over equity, regionality, value addition and capacity building. PAAP will focus on a few large projects that are more manageable and will apply the subsidiarity rule in management.

Implementing the strategy

During implementation, the strategy will incorporate social learning and participation to ensure that multiple views, needs and stakes in resolving policy issues at different levels are taken into account and negotiated. The approach will promote a systems perspective in action. It will recognize the cross-cutting nature of policy research and will concern itself with the livelihoods and biophysical interactions as well as needs and values of those managing and using natural resources. Emphasis will be given to partnerships and multidisciplinary teams and the roles, responsibilities and contributions of each will be spelled out.

PAAP strategy will be implemented through regionally coordinated projects executed by partners of other ASARECA programmes, NARS, regional and international institutions at selected pilot sites, and will employ participatory learning and action research approaches. Cross-regional synthesis, networking, and information and knowledge sharing will improve the regional value of the findings and enhance spillover. For better links between research and development, close working relationships will be formed among policy makers, NARS scientists of various disciplines, NGOs and civil society organizations, farmers' representatives, and public and private sector players. Most importantly, farmers and will be brought into the R4D paradigm.

At ASARECA the other six programmes will be involved in implementing the strategy under the ambit of the programme management unit. Partners with a stake in regional policy analysis and advocacy will be included. These include relevant regional and international research institutions, advanced research institutes and universities. Other partners who will help build synergy will be the regional economic blocks—COMESA, EAC, FAO, the African Union's Economic Commission for Africa (UNECA), FARA—and private and national policy research institutes—Economics Research and Agricultural Policy Analysis Centre in Sudan, the Economic and Policy Research Centre in Uganda, the Economic and Social Research Foundation in Tanzania, the Kenya Institute of Public Policy and Research Analysis. Other partners will be donor agencies who will give advice and feedback. Beyond the region links will be forged with other subregional organizations like the Conseil Ouest et Centre Africain pour la Recherche et le Développement Agricoles / West and Central Africa Council for Agricultural Research and Development (CORAF / WECARD) and the Food, Agriculture and Natural Resources Policy Analysis Network of the Southern Africa Development Community (SADC).

Mobilizing resources

Successful implementation of the PAAP strategy will require stable financing. Five ways will be employed to raise funds.

Core funding. Funds for PAAP's cover core activities are expected to come from the ASARECA core fund. These funds will be used to implement central and cross-cutting projects and will include

budgets for advocacy and outreach, dissemination of information, building of knowledge bases, M&E and impact assessment, the technical advisory team, support to taskforces and short-term consultants, periodic review of priorities and projects.

Project funding. Core projects will be developed and implemented by multi-institutional and multicountry partners to deliver the regional agenda and obtain funds for implementing them. Sources of funds will include donors, the private sector, the ASARECA competitive grants system and competitive schemes of other organizations.

Research funds. Another avenue that will be explored is to raise such funds directly by responding to calls for proposals from donors, ASARECA through its Competitive Grants System, and regional and global funding programmes.

Institutional contribution. Partner institutions will be expected to make monetary and contributions in kind to projects. This will include staff time, research and training facilities at no or reduced cost.

Leveraged funds. Leveraged funds will be used in situations where partners (institutions or individuals) have their own funds and technical staff time and wish to use them to support PAAP's priority research projects.

Assumptions and risks

The following key assumptions underlie realization of PAAP's strategic objectives.

Adequate financial resources for implementing the PAAP strategy will be available. It is assumed that ASARECA will continue to attract financial support from R4D partners. At the same time, ASARECA and other partners will continue to seek alternative sources of funding that will enable smooth implementation of PAAP's priority research projects.

A minimum critical capacity of human resources and facilities will be available. Constant calls for policy interventions amplify the need for capacity building in policy analysis and advocacy in the region. It is assumed that ASARECA and other partners will contribute to this effort.

Political will in the ASARECA region will provide a supportive and enabling environment. All ASARECA member countries will continue to support regional integration efforts through EAC, COMESA and SADC, which aim to increase regional trade. This will open up more markets and lead to increased economic development and thus offer incentives for policy research. Regional integration will require close coordination of collaborative efforts to ensure that the benefits are shared equitably and to allow for joint responses to emerging issues, such as climate change, that cut across national boundaries.

