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# South Africa's strategic imperative to domesticate her Malabo commitments

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***Abstract:***

*Despite commitment to the 2003 Maputo Declaration, South Africa has not yet formally launched a domestication process for the Comprehensive Agriculture Development Programme (CAADP) Maputo and Malabo Declarations, even though the National Development Plan and Medium Term Strategic Framework generally align with the continental growth agenda; and notwithstanding the country conducting an innovative, unique and inclusive consultation across the country between 2013 and 2015. A decision to submit a Biennial Review (BR) report on how the country stacks up against the Malabo commitments represents a bold step towards engagement and alignment. This paper presents the outcomes of the 2017 BR and seeks to identify where country's national policy framework and targets align with Malabo to support the process of domesticating CAADP. The discussion will assist South Africa and other countries in aligning a set of priority programmes and policies to facilitate faster progress towards attaining development targets.*

*Keywords: CAADP, Malabo Declaration, South Africa, agricultural growth, food security*

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# South Africa's strategic imperative to domesticate her Malabo commitments


## Abstract

Despite commitment to the 2003 Maputo Declaration, South Africa has not yet formally launched a domestication process for the Comprehensive Agriculture Development Programme (CAADP) Maputo and Malabo Declarations, even though the National Development Plan and Medium Term Strategic Framework generally align with the continental growth agenda; and notwithstanding the country conducting an innovative, unique and inclusive consultation across the country between 2013 and 2015. A decision to submit a Biennial Review (BR) report on how the country stacks up against the Malabo commitments represents a bold step towards engagement and alignment. This paper presents the outcomes of the 2017 BR and seeks to identify where country's national policy framework and targets align with Malabo to support the process of domesticating CAADP. The discussion will assist South Africa and other countries in aligning a set of priority programmes and policies to facilitate faster progress towards attaining development targets.


**Keywords**: CAADP, Malabo Declaration, South Africa, agricultural growth, food security

## 1. Background and introduction

The Republic of South Africa is seen as a leader in many respects on the African continent; yet the economic giant is plagued with poor economic growth, mounting unemployment and little progress in achieving the goals of its transformation agenda. Recently published figures on the rate of child stunting show that child stunting has increased (Badiane, et al., 2014). Africa is now one of the fastest-growing regions in the world, with strong economic growth over the last 15 to 20 years (African Union (AU), 2003). Agricultural transformation in Africa is leading to tangible impacts on economic growth, poverty reduction and in reducing under nutrition. Much of the progress can be attributed to the revived focus on agriculture as a driver of inclusive economic growth through the Comprehensive Africa Agricultural Development Programme (CAADP). The CAADP was initiated through the 2003 Maputo Declaration on Agriculture and Food Security in Africa and sought to achieve Millennium Development Goal one (MDG-1) to halve the turn of the century levels of extreme poverty and hunger by 2015 (African Union, 2003).

In line with South Africa's National Development Plan (Republic of South Africa (RSA), 2012) and Medium Term Strategic Framework (Republic of South Africa, 2009), the main goal of CAADP is to help African countries attain higher rates of inclusive economic growth through agriculture, forestry and fisheries sector-led development that eliminates hunger, reduce poverty, food insecurity and malnutrition and enable the expansion of agricultural exports. By the end of 2016, 42 countries in Africa had signed CAADP Compacts, indicating their commitment to adopting and domesticating the CAADP process in-country (Bahiigwa, et al., 2016). Thirty had been through the process of drafting a national agriculture and food security investment plan (NAIP), and hosting a technical review of the NAIP and national validation of the NAIP. Twenty-seven countries had held an international conference presenting and launching the NAIP (Bahiigwa, et al., 2016). Regrettably, the Republic of

South Africa is not among these countries. Despite conducting an innovative, unique and inclusive consultation across the country between 2013 and 2015, commitment to the Maputo Declaration of 2003 has not yet been formally launched in the country.

A recent review and refinement of the CAADP Agenda (African Union and the New Partnership for Africa's Development, undated), that shifted the single-sector scope of the Maputo CAADP address many of the concerns of the South African government has voiced about domesticating CAADP. This offers a window of opportunity for domesticating the process and benefitting from the shared continental gains evident in many of CAADP's early adopters.

The Malabo Declaration on Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods (referred to here as the Malabo Declaration or Malabo commitments), signed 10 years after the Maputo Declaration at the 23rd AU Assembly in September 2014 (AU, 2016), reaffirmed the central commitment of the Maputo Declaration. To ensure that the emphasis on delivery does not remain an empty promise, Heads of State agreed to a Biennial Review (BR), in which progress towards achieving the Malabo commitments is measured. The first BR took place in January 2018.

Many early CAADP adopters (between the years of 2009 – 2011) are reviewing their progress and designing their next five-year NAIP. This is an opportune moment for South Africa to 'align and sign' and show her tangible commitment to the Malabo Declaration. South Africa's submission of a BR report was a significant step.

The BR mechanism aims at providing a platform for mutual accountability, peer review and peer learning that will motivate increased performances of each member state to deliver on targets set in the Malabo Declaration, through a well-designed, transparent and performance-based monitoring and evaluation and BR reporting to the AU Assembly. A common scorecard presents individual country progress with related scores, offering clarity and transparency in defining 23 performance targets with 43 indicators that ensure the alignment of national plans with Malabo commitments. These targets and indicators cover seven areas:

(i) Commitment to the CAADP process;
(ii) Increasing investment finance in agriculture, forestry and fisheries;
(iii) Ending hunger;
(iv) Eradicating poverty through agriculture;
(v) Increasing intra –African trade in agriculture commodities and services;
(vi) Improving resilience to climate variability; and
(vii) Enforcing mutual accountability for actions and results.

This paper presents the summarised outcomes of the BR. The assessment will assist South Africa in aligning a set of priority programmes and policies with the goal of attaining national, regional, continental and international development targets.

## 2. Preparing the Biennial Review in South Africa

As a signatory of the Maputo and Malabo Declarations, South Africa is required to deliver on both commitments. Having missed the opportunity to participate in the Maputo CAADP process, but realising the potential benefits of reflecting on the performance of the agricultural sector, a decision was taken in 2017 by the Parliamentary Portfolio Committee for Agriculture, Forestry and Fisheries to participate in the BR process, despite the absence of a NAIP (Parliamentary Monitoring Group, 2017).

The report was prepared following the AU's (2017) guideline. The data on the performance appraisal and indicators were collected by staff in DAFF, under the leadership of the CAADP Focal Person and in consultation with and drawing from the provincial departments and treasuries, SoEs, private sector and StatsSA. Where possible, official, validated data drawn from annual reports, national treasury expenditure reports, official statistical releases and the Agricultural Abstracts were used to ensure credibility and replicability in future reports. The draft report was validated by a constructive workshop held on the 8th September 2017, attended by about 70 stakeholders. The consensus agreements were included in the final report. The report was submitted to the Regional Economic Commission on the 12th September 2017.

## 3. The outcomes of South Africa's first BR assessment

Of the 47 Member States that made submissions, only 20 were reportedly 'on-track' to achieve the commitments by 2025 (AU, 2018). South Africa's final score was 4.07 and deemed by the AU to be 'on track'. The average score for the 12 SADC countries was 4.02 (AU, 2018).

The sections that follow report on the seven areas and present an overview of the BR scorecard in relation to the AU targets. The discussion reflects on the alignment, relevance and importance of the outcome for South Africa in terms of the country's strategic vision and goals. Missing and incomplete data were identified to improvement the system in the next BR round (2017 – 2019).

### *3.1. Strategic area 1: Commitment to the CAADP Process*

Due to the absence of a NAIP, the first score on the scorecard (Table 2), shows a lack of compliance with the CAADP process. This can be quite simply remedied by completing the CAADP process embarked on in 2012 – 2014 and updating the NAIP to align with the Malabo commitments. This will entail a review of the draft NAIP against recently completed Phakisa processes and the identification of a package of priority programmes from these. The priorities could include programmes focussing on elements of the Agriculture Policy Action Plan (2015-2019) (DAFF, 2014) implemented through the Revitalisation of Agriculture and Agro-processing Value Chain (RAAVC) (DAFF, undated), the Agriparks intiative, Phakisa (Department for Rural Development and Land Reform, 2017), the National Food and Nutrition Security Plan (Department for Planning, Monitoring and Evaluation, 2017) and the Oceans Economy Phakisa (Department of Environmental Affairs, 2016). Many platforms, policies and programmes are already in place. These provide a solid foundation for supporting a NAIP, making progress towards domestication of Malabo and embarking on a

CAADP process. This includes: the Integrated Food and Nutrition Security Coordination Forum, the National Agricultural Research Forum, the National Forestry Research Forum, the Value Chain Round Tables, the Marketing Forum, the Aquaculture Value Chain Round Table, the Aquaculture Intergovernmental Forum, the Minister's Service Delivery Forum, the Chief Executive Officers' Steering Committee Forum (private sector), and the Agricultural Development Finance Forum). What is needed to improve the score is for these fora and committees to include progress on the NAIP as a standing agenda item and to coordinate the reporting and mutual accountability system with the BRR and NAIP indicators.

**Table 2: Commitment to the CAADP Process**

| Indicator | Status | AU/Malabo Target | Country score/ 10 | Minimum for 2017 | Progress |
|---|---|---|---|---|---|
| 1.1 CAADP Process Completion Index | Submitted | CAADP process completed at the country level | 0.00 | 3.33 | Not on track |
| 1.2 Quality of multisectoral and multi-stakeholder coordination | Submitted | Multisectoral coordination body and multi-stakeholder body fully established and operational. | 3.94 | 3.33 | On track |
| 1.3 Evidence-informed Policies and corresponding human resources | Submitted | Evidence-based policies and institutions that support planning and implementation are established and implemented. | 6.62 | 3.33 | On track |

### *3.2. Strategic areas 2: Increase investment finance in agriculture, forestry and fisheries*

Public expenditure on agriculture as share of total public expenditure is low in South Africa (compared to the Malabo 10% target). Expenditure has dropped slightly over the period (1.23% in 2015 to 1.19% in 2016). In contrast, public expenditure on agriculture as proportion of agriculture value added is higher in South Africa than agricultural expenditure, commensurate with the development stage of the country (Table 3). The values have declined over the period of analysis - implying that the level of public spending on agriculture has declined. However, public expenditure on agriculture as proportion of agriculture value added in South Africa is close to the AU target of 19% per annum growth. Although overseas development investment (ODA) is relatively low in South Africa and not a significant contributor to the sector, the levels of disbursement are low.

**Table 3: Strategic area 2: Increasing investment finance in agriculture, forestry and fisheries**

| Indicator | Status | AUC/Malabo Target for 2025 | Estimation | Country score/10 | Min for 2017 | Progress | Missing data |
|---|---|---|---|---|---|---|---|
| 2.1i Public agriculture expenditure as share of total public | Submitted | Increase public expenditure on agriculture to at least 10%. | 1.19% | 3.90 | 10.00 | Not on track | |

| Indicator | Status | AUC/Malabo Target for 2025 | Estimation | Country score/10 | Min for 2017 | Progress | Missing data |
|---|---|---|---|---|---|---|---|
| expenditure | | | | | | | |
| 2.1ii Public agriculture expenditure as % of agriculture value added | Submitted | Ensure adequate intensity of agricultural spending. | 18.24% | | | | |
| 2.1iii ODA disbursed to agriculture as % of commitment | Submitted | Ensure that ODA committed is fully disbursed. | 1.10% | | | | |
| 2.2 Ratio of domestic private sector investment to public investment | Submitted | Ensure that government investment leverage at least X times domestic private investment sector. | 2225.30% | | | | |
| 2.3 Ratio of foreign private direct investment to public investment | Submitted | Ensure that government investment leverage at least Y times foreign private direct investment sector. | 19.64% | | | | |
| 2.4 Proportion of men and women engaged in agriculture with access to financial services | Submitted but reflects only public expenditure | Ensure that all of men and women engaged in agriculture have access to financial services. | 10.2 % | 1.02 | 3.33 | Not on track | Information from private financial services not collected. |

The ratio of domestic private sector investment to public investment in agriculture in the country is exceptionally high relative to the Malabo target and has increased over the two years of analysis. This value reflects the significant and positive investment of the private sector in South African agriculture. Although there is no specific target in the Malabo Declaration, the ratio of foreign private direct investment in agriculture[1] reflects the confidence that the foreign private investors have in South African agriculture.

Although the data on the proportion of farmers who received financial support through public financial support (through programmes such as the Comprehensive Agriculture Support

[1] This score reflects the extent to which public resources leverage foreign investment – for every R100 in public investment, R20 is leveraged through foreign private direct investment.

Programme (CASP) and Micro Agricultural Financial Institutions of South Africa (MAFISA) is reported for this indicator, the majority of farmers have access to financial services delivered through private sector. The data related to coverage for this indicator were not readily available for analysis. Further investigation of the availability of data is essential to make a comprehensive assessment of this indicator in South Africa.

### *3.3. Strategic area 3: Ending Hunger*

This misnamed performance area relates broadly to Sustainable Development Goal two and includes a range of production, food security and nutrition indicators. In terms of production indicators, fertiliser consumption in South Africa falls short of the 2025 Malabo target of 50kg/hectare of arable land by just less than 20kg/ha (see Table 4). A moderate increase in fertiliser use was observed between the two years. In terms of the growth rate of irrigated land, the Agricultural Abstracts (Directorate Statistics and Economic Analysis, 2016), do not reflect an increase in the area under irrigation over the period 2010 to 2016. This seems unlikely given the latest drought and irrigation intensification trends in South African production. The Abstract data were drawn from the Water Administration Management System (WARMS) from the Department of Water and Sanitation. The Water Research Commission (WRC) is currently undertaking an analysis (Van der Stoep, et al., 2014), that promises improved data on this indicator in future. It is important to note that the AU target for this indicator is to double the area under irrigation by 2025. However, a recent analysis by WRC indicates that this target would be unrealistic for the country (Matthews, 2017).

One area of significant data shortage is the indicator 3.1(iii) that reflects the growth rate of the ratio of supplied quality agriculture inputs (seeds, animal breeds and fingerlings) to the total national inputs. This indicator refers to improved seeds and breeds and whether supply matches demand for improved varieties and breeds of beef, dairy, goats, pigs, sheep, poultry and fish. It requires an estimate of the national inputs required and the supply of varieties and breeds. DAFF does not have most of the data to calculate this indicator. Some data exists in the private sector, yet despite the willingness of many commodity groups to cooperate and complete this data, the country does not have the necessary data on hand to calculate this indicator at this time. The inclusion of this indicator in the monitoring and evaluation framework of the new Production Strategy will pave the way to collecting and reporting on this in future. One point to note is that the data required for animals relates only to artificial insemination of animals, while stud animals are a common element in improved breeding systems in South Africa – both at the commercial and community level.

**Table 4: Ending hunger – production indicators**

| Indicator | Status | AUC/Malabo Target by 2025 | RSA outcome | Country score (10) | Min for 2017 | Progress | Missing data |
|---|---|---|---|---|---|---|---|
| 3.1i Fertilizer consumption | Submitted | Ensure minimum use of fertilizer of 50 kilograms per hectare of arable land. | 34.15 kilogram of nutrients per hectare of arable land | 3.02 | 5.53 | Not on track | |
| 3.1ii Growth | Submitted | Increase the size | 0% | | | | |

| Indicator | Status | AUC/Malabo Target by 2025 | RSA outcome | Country score (10) | Min for 2017 | Progress | Missing data |
|---|---|---|---|---|---|---|---|
| rate of the size of irrigated areas | | of irrigated areas by 100% | | | | | |
| 3.1iii Growth rate of the ratio of supplied quality agriculture inputs | Incomplete data available | Double current levels of quality agricultural inputs for crops (seed), livestock (breed), and fisheries (fingerlings). | Incomplete data | | | | |
| 3.1iv Proportion of farmers with access to Agricultural Advisory Services (AAS) | Incomplete data available | All farmers have access to quality AAS. | 14% but incomplete data - private sector data missing | | | | Number of farmers having access to Agricultural Advisory Services Total Number of farmers |
| 3.1v Total Agricultural Research Spending (R&D)as a share of AgGDP | Submitted | Increase investments in agricultural R&D to at least 1% of the agricultural GDP | 1.42% | | | | |
| 3.1vi Proportion of farm households with ownership or secure land rights | Data missing | Ensure that all farmers and agribusiness interested in agriculture have rights to access the required land | Missing data | | | | Total number of farm households in the country Number of farm households with secured land rights |

Preparation of the BR highlighted the dire lack of information on smallholders in South Africa. Although a legacy of the neglected sector in the pre-1994 era and despite significant focus on subsistence and smallholder production post 1994, there is an alarming dearth of data on the beneficiaries of these programmes and smallholders in general. The recently released community survey has also lacks data for the indicators required in the BR. Although substantial data and analysis are available for the commercial sector; and while the private sector has quite substantial farmer development and transformation programmes; very

little data and analysis are available on the smallholder sector – both in terms of agriculture and food security.

Likewise, data are incomplete for estimating the proportion of farmers with access to agricultural extension services. While a proportion of 14% is reported, this only considers smallholders who are registered beneficiaries in various publically funded projects and a small dataset from GrainSA. Currently, the total number of farmers in the country is not known (rather only agricultural households known) and the number of farmers with access to extension services is also not reported. While DAFF extension service numbers are available, there is no collated and comprehensive record of how many farmers are reached by private extension and development programmes. The AgriBEE (Agribusiness Black Economic Empowerment) scorecard RSA, 2015), goes a long way to support the collection of this data, but although the score card has been approved, it has not been operationalised. A system for the collection and collation of this data is essential to completing future BRs and for monitoring and evaluation purposes in the country.

Missing data also frustrated efforts to report on the proportion of farm households with ownership or secure land rights. Numerous pieces of legislation are in draft and currently for comment to improve tenure access.

Unlike other African countries, agriculture in South Africa contributes a very small amount to GDP, but is nevertheless an important sector of the economy and in livelihood in rural areas. The national expenditure on research as a proportion of GDP in South Africa exceeds (1.42%) the 2025 AU target (1%) by 0.42 per cent.

The growth rate of agriculture value added, in constant US dollars, per agricultural worker in South Africa was estimated at -21.27 over the two years under investigation (Table 5). The growth rate of agriculture value added, in constant US dollar, per hectare of agricultural arable land also reduced but at a slower rate of -6.4%. To meet the AU targets for both indicators of doubling the 2015 rates by 2025, South Africa will need to take a careful look at the sector and its policies and strategies. The reduction reflects current job shedding and the lack of capacity to generate employment in the sector, despite job creation being a priority for the sector and country.

The growth rate for yields for three of the five priority commodities (wheat, red meat, horticulture (fruit and vegetables) and aquaculture) considered in the BR could also not be estimated due to incomplete and missing data sets. The rate of growth for maize was estimated as a -10.04% reduction in yield (estimated from data provided by Grain SA), and -4.79% for poultry (estimated from data provided by the South African Poultry Association) over the periods 2014/5 and 2015/6. Completing this indicator will require close cooperation between the public and private sectors. Meeting the target of doubling the yields by 2025 over 2015 yields will need careful policy consideration once the full data analysis can be estimated. The potential for yield gap improvements in some of the commodities where improved varieties are already widely adopted will need to be considered alongside the disparities between smallholder and commercial production practices and efficiencies.

While a few attempts have been made to estimate postharvest losses and waste for South Africa (World Wildlife Fund, 2017) (Oelofse, et al., 2012), no standardised methodology exists (Review: Food loss and waste in Sub-Saharan Africa. Food Policy, 70, 1 – 12., 2017)

and better disaggregation is needed in all sectors. Finalising a methodology needs research, debate and finalisation. Coordination of reporting of waste across the value chain is essential.

**Table 5: Ending hunger – value chain indicators**

| Indicator | Status | AUC/Malabo Target | RSA score | Country score (10) | Min for 2017 | Progress | Missing data |
|---|---|---|---|---|---|---|---|
| 3.2i Growth rate of agriculture value added, in constant US dollars, per agricultural worker | Submitted | Double agricultural labour productivity | -21.27% | 0.40 | 1.00 | Not on track | |
| 3.2ii Growth rate of agriculture value added per hectare of arable land | Submitted | Double current land productivity | -6,47% | | | | |
| 3.2iii Growth rate of yields for the 5 national priority commodities, and possibly for the 11 AU agriculture priority commodities | Incomplete data available | Double agricultural yields | Maize: -10.04%, poultry = -4.79% but incomplete as missing data for horticulture, aquaculture and red meat. | | | | Total production of commodity. Total size of the production unit of the commodity. Yield of commodity |
| 3.3 Reduction rate of post-harvest losses for (at least) the five national priority commodities, and possibly for the 11 AU agriculture | Data missing | Halve post-harvest losses | Data is very patchy and incomplete. | 0.00 | 1.00 | Not on track | Better disaggregation is needed in all sectors Methodology needs research, debate and finalisation. Coordination of reporting is essential |

[a] beef, cassava, cotton, dairy, legumes, maize, millet, oil palm, poultry and fisheries, rice and sorghum.

In terms of budget lines for social protection, South Africa fares really well (Table 6). The national social grant system and a number of early warning and disaster management funds support the vulnerable.

While South Africa is ahead of the 2025 target for the reduction of underweight (3.3% in 2016) to less than 5%, the alarming levels of child stunting (27% in 2016) demand immediate attention, while more effort is necessary to reduce wasting (6.7%) at a faster rate. Recently released 2016 data shows that child stunting (being short for age) increased from 24.6% in 2008 and 21.5% in 2012 to 27% in 2016 (Statistics South Africa, 2017). Stunting is a sign of chronic deprivation in early life with irreversible damage to child development - physical, mental and developmental). The AU target is to reduce stunting to below 10% by 2025. While other African countries have managed to make significant strides in reducing child under nutrition (Malabo Montpellier Panel, 2017), the level of stunting in South Africa is now similar to the levels reported by the 2017 Global Nutrition Report for Burkina Faso and Guinea-Bissau and higher than neighbouring countries such as Namibia and Swaziland (Development Initiatives, 2017).

The BR requires reporting of the level of undernourishment (the proportion of the population consuming less than the minimum level of energy per day), the Minimum Dietary Diversity Index for Women and the Minimum Adequate Diet for children between 6 and 23 moths. These data are currently not available for South Africa. Although the first was a Millennium Development Goal indicator, South Africa has not estimated this indicator despite a few efforts to establish a food poverty line. The Minimum Dietary Diversity Index for Women is a new indicator developed in 2015, while the Minimum Adequate Diet for children was introduced in 2011 by the World Health Assembly (World Health Organization, 2014). There is a need to explore how to exploit household consumption data with StatsSA to develop the methodology to estimate the minimum level of energy per day based on the FAO methodology (Food and Agriculture Organisation (FAO), undated). One complicating factor in the assessment of some of these indicators is that consumption data in South African surveys is currently collected for households and not for individual household members, although Stats SA has indicated a willingness to explore how their surveys can be updated in an effort to support the data collection through rolling survey efforts.

**Table 6: Ending hunger – social protection and nutrition indicators**

| Indicator | Status | AUC/Malabo Target by 2025 | RSA outcome | Country score (10) | Min for 2017 | Progress | Missing data |
|---|---|---|---|---|---|---|---|
| 3.4 Budget lines (%) on social protection as percentage of the total resource requirements for coverage of the vulnerable social | Submitted | Commit, budget lines that amount to 100% of the total resource requirements for coverage of the vulnerable social groups | 100% | 10.00 | 1.00 | On track | |
| 3.5i Prevalence of stunting | Submitted | Bring down child stunting to 10% | 32.20% | 1.67 | 1.00 | On track | |

| Indicator | Status | AUC/Malabo Target by 2025 | RSA outcome | Country score (10) | Min for 2017 | Progress | Missing data |
|---|---|---|---|---|---|---|---|
| 3.5ii Prevalence of underweight | Submitted | Bring down underweight to 5% or less | 3.30% | | | | |
| 3.5iii Prevalence of wasting | Submitted | Bring down wasting to 5% or less | 6.70% | | | | |
| 3.5iv Proportion of the population that is undernourished | Unable to calculate this time | Bring down undernourishment to 5% or less | Unable to calculate at this time. Need to explore how to exploit household consumption data with StatsSA to develop the methodology to estimate this indicator based on the FAO methodology | | | | Minimum energy intake required Proportion of individuals consuming less than this energy |
| 3.5v Growth rate of the proportion of Minimum Dietary Diversity-Women | Data for this indicator not collected | Increase the proportion of women at reproductive age that attain the minimum dietary diversity by half | Indicator not collected in RSA | | | | Dietary recall using a 24 hour recall and the Dietary Diversity Index to collect food consumption data for women |
| 3.5vi Proportion of 6-23 months old children who meet the Minimum Acceptable Diet | Data for this indicator not collected | Reach at least 50% of children 6-23 months that have the minimum acceptable diet | Indicator not collected in RSA | | | | Dietary recall using a 24-hour recall and the Dietary Diversity Index to collect food consumption data for children 6 - 23 months. Frequency of meals |

### *3.4. Strategic area 4: eradicate poverty through agriculture*

This area speaks to one of South Africa's priority policy goals, notably to reduce poverty (RSA, 2012). However, only two of the seven indicators could be estimated for this section of the BR report. These two do not show a significant contribution of the sector to poverty reduction, with a way-below target rate of growth of agriculture value added of 1.48 against the annual target of 6%, and a -4.3% reduction rate of poverty headcount ratio at the national poverty line (% of population) compared to an at least 50% reduction expected between 2015 and 2025 (Table 7). The recently released poverty assessment for 2016 (Statistics South Africa (Stats SA), 2017), shows that poverty has increased over the last assessment period, indicating that the country is not faring well in this area despite the extensive social grant programme that has had a significant impact on reducing absolute poverty. However, the grants are not enough to enable people to escape poverty (South African Social Security Agency), 2016). While the poverty reduction rate at international poverty lines has been calculated from the 2016 data, the results are not yet in public domain and are currently being finalised.

**Table 7: Eradicating poverty through agriculture**

| Indicator | Status | AUC/Malabo Target by 2025 | Country outcome | Country score (10) | Min for 2017 | Progress | Missing data |
|---|---|---|---|---|---|---|---|
| 4.1i Growth rate of the agriculture value added | Submitted | Sustain annual agricultural GDP growth of at least 6. | 1.48% | 2.50 | 3.25 | Not on track | |
| 4.1ii Agriculture contribution to the overall poverty reduction target | | | | | | | |
| 4.1iii Reduction rate of poverty headcount ratio, at national poverty line | Submitted | Reduce poverty level by at least half at national poverty line | -4.30% | | | | |
| 4.1iv Reduction rate of poverty headcount ratio at international poverty line | Data available but not in public domain | Reduce poverty level by at least half, at international poverty line | StatsSA has calculated this for 2016 but the outcome is not yet in public domain - validation in progress with the World Bank. | | | | |
| 4.1v Reduction rate of the gap between | Incomplete data available | Contribute to poverty reduction by reducing the | Data is incomplete across sectors. While this can | | | | |

| Indicator | Status | AUC/Malabo Target by 2025 | Country outcome | Country score (10) | Min for 2017 | Progress | Missing data |
|---|---|---|---|---|---|---|---|
| the wholesale price and farm gate price | | gap between the wholesale price and farm-gate price, by half | be calculated for maize (-44.43%), beef (13.5%) and poultry (6.84%), data for other sectors is missing or needs verification. | | | | |
| 4.2 Number of priority agricultural commodity value chains for which a PPP is established with strong linkage to smallholder | Incomplete data available | Establish and/or strengthen inclusive public-private partnerships (PPP) for at least five (5) priority agricultural commodity value chains with strong linkage to smallholder agriculture | Data is incomplete for the private sector. While commodity groups do have this data, there is no system to collect and collate this important indicator of transformation. | 10.00 | 1.00 | On track | Total volume of trade for the priority commodity Volume of trade between smallholders and target buyers of the priority commodity Number of smallholders integrated into the value chain of the priority commodity Total suppliers that are supplying the market of the value chain of the priority commodity |

| Indicator | Status | AUC/Malabo Target by 2025 | Country outcome | Country score (10) | Min for 2017 | Progress | Missing data |
|---|---|---|---|---|---|---|---|
| 4.3 Percentage of youth that is engaged in new job opportunities in agriculture value chains | Incomplete data available | Create job opportunities for at least 30% of the youth in agricultural value chains | Some of the missing data can be extracted from the Labour Force Survey, but requires help from StatsSA. | 0.70 | 1.00 | Not on track | Number of youth who do any agriculture related work as paid employees for any agriculture enterprise or small and medium enterprises, work as self-employed in their own business or profession or on their own farm or work 15 hours per week or more as unpaid workers in a family-operated enterprise. |
| 4.4 Proportion of rural women that are empowered in agriculture | Data for this indicator not collected | Ensure that 20% of rural women have access to productive assets, including land, credit, inputs and financial services and information (empowered) | Not collected yet | 0.00 | 3.00 | Not on track | Women's Empowerment in Agriculture Index. |

Estimating the gap between farm gate and wholesale prices was also hampered by incomplete data. While this gap could be calculated for maize (-44.43%), beef (13.5%) and poultry (6.84%), data for other sectors were missing or need verification. The findings show that while the gap for maize has declined, the opposite is true for beef and poultry. The maize gap decline could be due to the general increased grain prices in the previous season due the drought and higher international grain prices. Unfortunately, many farmers did not plant maize or planted less because of the severe drought. As such, the price gap benefit accrued to just a few farmers in the 2015/6 season.

Estimating the number of priority agricultural commodity value chains with a public-private partnership (PPP) with strong linkages to smallholders has been established is an important indicator to monitor transformation of the agricultural sector in South Africa, but there was considerable missing and incomplete data. Available data were not inclusive of all commodities and public and private sectors. The enforcement of the AgriBEE scorecard will go a long way to support the availability of these data.

Likewise, DAFF was unable to estimate the proportion of youth engaged in new job opportunities in agriculture value chains due to missing data. In future, these data could be extracted from the Labour Force Survey, but will require help from StatsSA to complete the analysis using the disaggregation required for this estimation. The Women's Empowerment in Agriculture Index (WEIA) is a relatively new indicator that is not yet collected in South Africa. This could be included in a number of future surveys to provide the required data.

### *3.5. Strategic area 5: Increase intra –African trade in agriculture commodities and services*

Despite South Africa's strategic role in trade in the continent, its growth rate for agricultural commodities is -11.10% against a target to triple trade (Table 8). However, domestic price volatility is contained and way below the target set by the Malabo commitments, despite a volatile and weak Rand. In this section of the report, an indeed other sections, more disaggregated data is necessary at the point of capture to estimate the requirements for the report. For example, the country does not have separate figures for the value of agricultural services traded.

**Table 8: Intra –African trade in agriculture commodities and services**

| Indicator | Status | AUC/Malabo Target | Country outcome | Country score (10) | Min for 2017 | Progress | Missing data |
|---|---|---|---|---|---|---|---|
| 5.1 Growth rate of the value of trade of agricultural commodities and services within Africa | Submitted | Triple intra-African trade in agricultural commodities and services | -11.10% | 0.00 | 1.00 | Not on track | |
| 5.2i Intra-African trade policies and institutional conditions | Data missing | Fully establish trade facilitation measures by reaching 100% of Trade Facilitation Index | 44.9* calculated out of 4 rather than 5elements | 7.59 | 1.00 | On track | Data on border administration costs |
| 5.2ii Domestic | Complete | Reduce volatility | 2.73% | | | | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| food price volatility index | | index to less than 7.5% | | | | | |

### *3.6. Strategic area 6: Improve resilience to climate variability*

Resilience to climate change is one of the new features of the Malabo CAADP over the Maputo emphasis where climate change was an element of production and uncertainty but not as prominent as in the Malabo commitments and focus. This new focus reflects global trends and explains the lack of data availability and established methodologies for estimating the level of resilience at the farm level. This is an area where South Africa will need to develop methodologies for analysis, analytical capacity in the public sector and establish monitoring and reporting systems.

Indicator 6.1(i) established a target that at least 30% of farm, pastoral, and fisher households should be resilient to climate and weather related risks, by the year 2025 (Table 9). South Africa does not have the data to establish this baseline. The regional FAO office confirmed that the RIMA (Resilience Index Measurement and Analysis Model) analysis (FAO, 2016) has not yet been carried out for South Africa. Likewise, the share of agriculture land under sustainable land management practices (SSLM) required to report on indictor 6.1(ii) could not be estimated due to missing data.

However, the country scored 66.7% on indicator 6.2 that measured the availability of permanent investment budget-lines to respond to spending needs on resilience building initiatives, especially for disaster preparedness plans, functioning early warning and response systems, social safety nets, and weather-based index insurance. A number of programmes have been launched to address climate change in the country, including the Climate Smart Agriculture programme. These indicators need to be included in various monitoring and evaluation frameworks across programmes to collect these data for future reporting.

**Table 9: Resilience to climate variability**

| Indicator | Status | AUC/Malabo Target | Country outcome | Country score (10) | Min for 2017 | Progress | Missing data |
|---|---|---|---|---|---|---|---|
| 6.1i Percentage of farm, pastoral, and fisher households that are resilient to climate and weather related shocks | Data for this indicator not collected | Ensure that at least 30% of farm, pastoral, and fisher households are resilient to climate and weather related risks | RIMA analysis has not yet been conducted | 0.03 | 2.00 | Not on track | Total number of farm, pastoral, and fisher households<br><br>Number of farm, pastoral, and fisher households that are resilient to climate variability and related |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | | | | | risks |
| 6.1ii Share of agriculture land under sustainable land management practices (SSLM) | Incomplete data available | Ensure that at least 30% of agricultural land is placed under SSLM | 0.02% | | | | Agriculture area under SSLM |
| 6.2 Existence of government budget-lines to respond to spending needs on resilience building initiatives | Submitted | Create permanent investment budget-lines to respond to spending needs on resilience building initiatives | 66.68% | 6.67 | 10.00 | Not on track | |

### *3.7. Strategic area 7: Enforce mutual accountability for actions and results*

This strategic area focusses on the capacity to generate the data required to complete the BR report and the quality of the process. In terms of capacity to generate and use agriculture statistical data and information (ASCI), South Africa is placed second on this continental index (Beintema et al., 2017), above the AU target (Table 10). This is encouraging, signalling that with more attention to the indicators required for the BR, the necessary data can be collected in future. Submission of this report was a significant step to demonstrating the country's commitment to Malabo. Formalisation of a Joint Sector Review process and the involvement of the Regional Economic Commission and the AU can assist in improving this indicator in future.

**Table 10: Enforce mutual accountability for actions and results**

| **Indicator** | **Status** | **AUC/Malabo Target** | **Country outcome** | **Country score (10)** | **Min for 2017** | **Progress** | **Missing data (not collected or incomplete)** |
|---|---|---|---|---|---|---|---|
| 7.1 Index of capacity to generate and use agriculture statistical data | Submitted | Reach at least 63 for the Index of capacity to generate and | 73.50% | 10.00 | 1.00 | On track | |

| Indicator | Status | AUC/Malabo Target | Country outcome | Country score (10) | Min for 2017 | Progress | Missing data (not collected or incomplete) |
|---|---|---|---|---|---|---|---|
| and information (ASCI) | | use agriculture statistical data and information | | | | | |
| 7.2 Existence of inclusive institutionalized mechanisms for mutual accountability and peer review | Submitted | Foster alignment, harmonization and coordination among multisectoral efforts and multi-institutional platforms for peer review, mutual learning and mutual accountability | 74.96% | 7.5 | 3.33 | On track | Number of mutual accountability principles satisfied by the country<br>Adherence to mutual accountability principles<br>Number of best practices satisfied by the country<br>Existence of mutual accountability mechanism and platform<br>Number of key areas covered by the country's review report<br>Coverage of agricultural review report |
| 7.3 Country Biennial Report submission | Submitted | Conduct a biennial agriculture review process that involves tracking, monitoring and reporting progress made in implementing the Malabo Declaration | 92.26% | 9.76 | 10.00 | Not on track | |

## 4. Reflection on the process

A substantial amount of information has been generated and completed. The results reflect South Africa's unique circumstances with mixed perspectives, some of which will better understood when compared with other countries' results. On the other hand, it was clear that

some of the critical data required for completing the report were not collected through national statistical surveys and reports, were incomplete or not inclusive of either the private or public sector.

The most glaring gap in the report relates to section one. While the country conducted extensive and inclusive provincial and national consultations between 2011 and 2014, drafted a CAADP Compact and NAIP, these have not been operationalised. In the meantime, significant policy dialogues and planning processes have occurred that align with the National Development Plan and overarching priorities of the country and the Malabo Declaration. Many of these have followed the Operation Phakisa model for development planning, with rigorous evidence-based analysis and inclusive engagement. A subset of these priority programmes could be packaged and endorsed as a costed Plan.

A second gap relates to the dual nature of the South African agricultural sector. In many cases, public sector data were not matched by equivalent private sector data. As a result, the data underestimates private sector support to development and transformation objectives. There is a significant data gap on smallholder agriculture and households. It was decided not to report incomplete data - be it for specific commodities or for sector. These areas will require immediate attention to be able to report on these elements in 2019. Stakeholders who participated in the validation workshop expressed a commitment to working together with government in this regard. There is an excitement among the stakeholders about moving forward and filling these gaps in future. StatsSA has also committed to investigating how many missing questions can be included in on-going national surveys.

The process of preparing and validating the report showed the value of the process - not only for obligatory reporting to the AU, but for the country itself. In the process, opportunities were identified for improving the monitoring and evaluation frameworks of a number of policies and strategies and in programme reporting. There is a commitment from government to include these indictors in annual performance across sectors to support the improvement of the quality and availability of the necessary data and to internalise commitment at all levels to achieve the Malabo targets.

An added value has been the broad-based capacity building and peer learning that occurred in in the process of preparing the report. Encouraged by their managers, many young economists and staff in DAFF have benefitted from their participation in this process, and strengthen a valuable resource for sector planning, monitoring and evaluation.

## 5. Conclusion and next steps for the country

Much can be improved in the next round of the BR. Systems need to be put in place to collect, collate and report these data, not only for the BR and the AU but for supporting national policy dialogue and engagement with all stakeholders to achieve national and continental growth, food security and development goals. The preparation for the next BR needs to begin immediately. Considerable work and effort is required to establish new systems for collecting, collating and reporting data required by the BR. Survey questions will need to be revisited, revised, extended and analyses disaggregated to provide some of the data. In a few cases, new survey questions will need to be included and analyses conducted to fill gaps. In some cases (such as for food losses and waste and climate resilience), discussion

is necessary for establishing agreed on methodologies and building the capacity to carry out these analyses.

It is clear that DAFF should take the lead in collating the report and coordinating the input from various stakeholders. However, a steering committee with various commissions should be established) to drive system and monitoring and evaluation framework reform to collect, collate, report and evaluate the various sections of the BR. All the sector stakeholders should be represented in this forum (government ministries, industry, private sector, statutory bodies, etc.). This committee should convene meetings and report on progress on commitments. This body should be embedded in the Minister's Service Delivery. This committee could:

- Help stakeholders understand the value of the process of the BR, the data requirements and outcomes of the analysis
- Work together to understand the theory of change (see Figure 1) of Malabo and apply it to policy and programme design and monitoring and reporting at various levels
- Establish a contact list and system of communicating and engagement with the stakeholders and
- Engage and learn from the process within the country and from other countries.

However, the establishment of the coordinating Council indicated in the Food and Nutrition Security Policy (RSA, 2014a) and the National Food and Nutrition Security Plan (RSA, 2014b) is essential to lead the process of finalising the NAIP and monitoring and evaluating progress towards national and Malabo targets.

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