



Agricultural Sector Governance

Background and Context

The Malabo Declaration recognises agriculture as one of the most promising areas for reducing poverty and improving livelihoods. One of the critical conditions required of the agriculture sector, however, is to ensure that good governance structures and related policies are in place at all levels.

Sector governance is the coordinated management of a sector as a whole; this includes a collection of rules, stakeholder involvement and processes which are managed with shared interests (FAO, 2011). Sector governance is broader than government as it also covers non-state individuals and institutions, including the private sector.

Agricultural sector governance, under the country CAADP implementation guidelines and under the Malabo Declaration, calls for results-oriented coordination, alignment of key stakeholders around a shared vision, monitoring of progress and inter-ministerial cooperation with clear division of roles and responsibilities.

Main Challenges

The main challenges to effective agricultural sector governance are limited knowledge of the sector's needs, limited buy-in from sector stakeholders and limited resources. As a result, many actors attempt to transform the sector through uncoordinated interventions which are difficult to scale up to the sectoral level without strong sectoral governance in place.

The need to tackle the governance challenges to effective implementation of the CAADP agenda is obvious and unquestionable. Indeed, the multi-sectoral Malabo Declaration specifies very clearly a range of commitments in agriculture – such as increasing irrigation and

KEY MESSAGES

Good sector governance provides a strong foundation from which all sector stakeholders can effect more successful interventions, in accordance with NAIPs and other programme frameworks relevant to the Malabo Declaration. Agricultural sector governance matters because agriculture is still central to addressing rural poverty and improving livelihoods in a sustainable way. Most households in Africa depend on a subsistence agriculture, and so strong sector governance can provide them with the conditions and incentives to reap greater benefits and suffer fewer risks. Strong sector governance can also help the sector to be competitive, enhance investment finance in agriculture and boost intra-African trade.

mechanisation and reducing post-harvest losses – as well as other commitments in infrastructure, natural resources, trade, nutrition and so on.

The exact make-up of a country's sector governance structures must, of course, be determined by the context of that country. Having said this, general challenges to agricultural sector governance can be grouped as follows:

- ▶ **Strong and visionary leadership:** Without clear vision from a leader who outlines in clear details where she/he wants to drive the transformation agenda of the sector, there exists the risk of confusion and ad hoc interventions.
- ▶ **Political will and support:** In the absence of political will, it becomes difficult for the government to set common goals or to introduce more extensive and far-reaching reforms.

- ▶ **Inclusivity and representation:** When sector platforms are not inclusive, with balanced representation, it becomes problematic to have an effective governance structure that allows the policy framework to provide a coherent plan for agriculture while also being the basis of effective coordination, implementation and activity monitoring, especially since Malabo targets depend on a variety of agriculture-related programmes.
- ▶ **Knowledge management:** Sector governance becomes ineffective when it is not supported by knowledge management tools that give timely and accurate information on sector programmes and that provide reliable agricultural data to improve the monitoring and evaluation system and facilitate institutional learning. .
- ▶ **Financial sustainability:** Donor funds may be critical at some point during the efforts to meet the Malabo Commitments, but self-financing is a key challenge to be addressed if sustainability is to be achieved.
- ▶ **Accountability:** In a weak institutional environment there is no provision of effective legal or policy frameworks under which all sector stakeholders may work and against which all may be held accountable.

Recommendations for Anchoring the Agricultural Sector Governance within NAIPs

In order for Malabo Commitments to be met, countries must ensure that the second generation of National Agriculture Investment Plans (NAIP 2.0) are not only aligned with the Malabo Declaration, but that they are also implemented through good governance structures.

Good governance structures unify stakeholders within and across sectors, allowing them to:

- ▶ Develop sector-wide vision and strategy;
- ▶ Identify needs and align investment for sector transformation;
- ▶ Advocate and inform policy;
- ▶ Monitor progress towards sector transformation;
- ▶ Disseminate lessons learned;
- ▶ Choose mechanisms for accountability such as Performance Assessment Frameworks.

Setting governance structures is generally undertaken through a sector coordination body that is state-sanctioned with a formal mandate to coordinate the sector. A good example of such a body is the Agriculture Sector Working Group (ASWG) that exists in many African countries. A brief description of two typical ASWGs is given in Box 1.

BOX 1: Two examples of Agriculture Sector Working Groups

In Ghana, the ASWG has two main objectives: (i) to serve as a policy dialogue platform for engaging the Government of Ghana (GOG) and Development Partners (DPs) to deliver on the country's agriculture and food security policy and programs; (ii) to promote coordination and alignment between the agriculture programmes and expenditure of the GOG and those of DPs.

The ASWG's operations are strongly linked to the Multi-Donor Budget Support to Ghana from 11 OECD-DAC members. The working group is, therefore, seen as a means of ensuring dialogue and coordination between the Government of Ghana and Development Partners. Unfortunately, however, frequency of participation by key farmer organisations and private sector representatives is low due to a lack of clarity on their role in the group. The ASWG usually meets once a month; its agenda is drawn up by the Ministry of Agriculture and is amended accordingly at each meeting.

In Rwanda, the main objectives of ASWG are: (i) to provide a forum for dialogue, ownership and accountability of the NAIP by all stakeholders at sector level, and (ii) to build synergies in policy formulation, implementation and enhance regular review. To this end, the ASWG brings together central and local government institutions, DPs, civil society and private sector actors involved in the sector. The ASWG holds its meetings monthly, but it may also convene extra meetings whenever the chair – a member of the Ministry of Agriculture – and the co-chair – a lead donor – deem appropriate.

Effective and well-functioning sector governance structures should be based on the following:

- ▶ **Shared vision, coordination and monitoring:** When sector stakeholders are aligned around a shared vision, coordinated in their interventions with monitoring tools to measure progress and mechanisms for accountability, they are better able to work together to increase the impact of their work.
- ▶ **Governance reform:** Reforms that improve accountability, transparency and impact are needed in order to promote a sound political economy that favours good governance (UNEP, 2008). It is important to understand the characteristics of agrarian

communities in order that the demand-sided approach to agriculture can be best addressed. Similarly, reforms to improve public sector capacity, efficiency and delivery must take place in order to enable the supply side to be more responsive.

- ▶ **Revitalise the roles of each category of stakeholders:** There is a need to strengthen the roles of key actors, including the government, state agencies, the private sector, civil society and academia in strengthening agricultural governance. This is paramount to ensuring that partnerships are strong and responsive to policy frameworks at the national, continental and global levels.
- ▶ **Inter-ministerial cooperation** is crucial to achieving the ambitious Malabo Commitments, which contribute to overall growth but which are not solely under the control of the Ministry of Agriculture. Inter-ministerial cooperation offers a foundation for coordinating all sectors and 'clustering' specific sectors, but it must be based on the country's mid-term strategic plan, above the NAIP, which is usually coordinated by the Ministries of Finance and Planning.
- ▶ **Private-sector engagement:** Improving the organisation and engagement of the private sector greatly influences the speed and feasibility of agriculture growth. By creating a conducive environment with adequate legal and regulatory frameworks, by creating

partnerships with private-sector players along value chains, and by holding regular public-private dialogue, will unlock the bottlenecks that hamper private sector investment, including increasing accountability of both private-sector actors and government.

- ▶ **Effective donor coordination** at country level is necessary in order to implement the NAIP, and especially to strive for harmonisation and alignment of donor activities within national policy and budget programmes. Effective donor coordination will also avoid situations in which the NAIP is not implemented because donors prefer other frameworks. Indeed, too much fragmentation and too many plans do not help implementation of a NAIP. The Malabo Declaration requires highly effective coordination amongst development partners, just as it does for domestic actors. Strengthening Agriculture Sector Working Groups is one way of improving coordination of donor support, while Joint Sector Reviews increase accountability against sector plans and budget implementation.
- ▶ **Division of roles and responsibilities:** An effective coordination mechanism requires clear definitions of roles and responsibilities, as well as division of tasks. This helps the ministries in charge of agriculture not to have to take responsibility for everything. It also provides plans of operation between central and local



governments and, especially, between the public and the private sector.

- ▶ **Capacity development:** A sector-wide capacity development framework that is part of the NAIP and that includes a wide range of stakeholders is needed in order to strengthen the institutional, systemic and transformational capacities that are the foundation of the successful implementation of NAIP.

Introducing a more coordinated sector governance requires a committed process in which engaging key stakeholders is important. A guide for introducing agricultural sector governance is given in Box 2.



BOX 2: Actions to consider when introducing agricultural sector governance

- ▶ Organise relevant stakeholders for consultation, alignment, strategy development and co-investment.
- ▶ Conduct a sector diagnosis so as to identify the needs and opportunities for improved sector governance and sector performance. A sector diagnosis tool can be used to (i) assess the current level of sector performance and identify its main strengths and weaknesses, (ii) inform strategies to enhance the effectiveness of sector governance, and (iii) assess progress in improving sector performance by conducting a baseline and subsequent repeated measurements.
- ▶ Develop a shared vision and a strategy based upon these insights, including distinguishing short and longer-term priorities.
- ▶ Begin implementing the strategy with a focus on maintaining alignment and measuring progress, and use this as a basis for further improvement of the strategy.
- ▶ Monitor the effectiveness of strategies on sector governance and performance for further improvement.

Source: Molenaar et al. (2017).

Further Information

- ▶ AUC and NPCA (2016). *Country CAADP Implementation Guidelines under the Malabo Declaration*. African Union Commission and NEPAD Planning and Coordinating Agency. - [View](#)
- ▶ AUC and NPCA (2018). *AU NAIP Toolkit for Malabo Domestication*. African Union Commission and NEPAD Planning and Coordinating Agency. - [View](#)
- ▶ FAO (2011). *Good Agricultural Governance: A Resource Guide Focused on Smallholder Crop Production*. By Dasgupta, S. and I. Roy. - [View](#)
- ▶ IFC (2015). *How Can Sector Governance Models Drive Sustainability Performance in Smallholder-Dominated Agricultural Sectors?* IIED, AidEnvironment and NewForesight. - [View](#)
- ▶ Molenaar, J.W., B. Vorley, and E. Blackmore (2017). *Reaching Beyond the Value Chain: How Sector Governance can Improve the Performance of Agricultural Commodity Sectors*. IIED, Aidenvironment and Sustainable Food Lab. - [View](#)
- ▶ UNEP (2008). *Governance and Agriculture*. - [View](#)

Published by: African Union Commission - Department for Rural Economy and Agriculture (AUC-DREA) and African Union Development Agency – NEPAD

Prepared by: Claude Bizimana

Designed by: Twaai Design

Supported by: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

ISBN-Number: 978-0-6399232-8-4

Date: June 2019