Food and Agriculture Organization of the United Nations

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Policy coherence for agricultural transformation in African least developed countries (LDCs)

Aligning agriculture and trade policymaking processes

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Acronyms

AfDB	African Development Bank
AfT	Aid for Trade
AGRA	Alliance for a Green Revolution in Africa
ASIP	Agriculture Sector Investment Plan (Rwanda NAIP)
CAADP	Comprehensive Africa Agriculture Development Programme
CAP-F	Country Agribusiness Partnerships Framework
CCSA	Agricultural Sector Coordination Committee (Mozambique)
DTIS	Diagnostic Trade Integration Studies
ESA	Eastern and Southern Africa
ECDPM	European Centre for Development Policy Management
EIF	Enhanced Integrated Framework
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FISP	Farm Input Subsidy Programme (Zambia)
FMM	Multipartner Programme Support Mechanism
FRA	Food Reserve Agency (Zambia)
IFAD	International Fund for Agricultural Development
LDC	Least Developed Country
LGA	Local Government Authority (Tanzania)
MALF	Ministry of Agriculture Livestock and Fisheries (Tanzania)
MASA	Ministry of Agriculture and Food Security (Mozambique)
MIC	Ministry of Industry and Commerce (Mozambique)
MINAGRI	Ministry of Agriculture and Animal Resources (Rwanda)
MINICOM	Ministry of Trade and Industry (Rwanda)
MIT	Ministry of Industry and Trade (Mozambique)
MIVARF	Market Infrastructure, Value Addition and Rural Finance Programme (Tanzania)
NAIP	National Agricultural Investment Plan
NAP	National Agriculture Policy (Zambia)
NCTF	National Committee on Trade Facilitation (Zambia)
NTFCs	National Trade Facilitation Committees
OECD	Organisation for Economic Cooperation and Development
PCD	Policy Coherence for Development
PEDSA	Strategic Plan for the Development of the Agricultural Sector (Mozambique)
PICA	Integrated Plan for Agricultural Commercialisation (Mozambique)
PNISA	National Agricultural Investment Plan (Mozambique)
PSDYE SWG	Private Sector Development, Youth and Employment Sector Working Group (Rwanda)
SAG	Sector Advisory Groups (Zambia)

SDG	Sustainable Development Goal
SPS	Sanitary and Phytosanitary
SWG	Sector Working Group
TAFSIP	Tanzania Agriculture and Food Security Investment Plan
TTIS	Tanzania Trade Integration Strategy 2009-2013
UN	United Nations
WTO	World Trade Organisation

Executive summary

In many developing and least-developed countries (LDCs), agricultural transformation is needed to stimulate economic development and improve domestic food security and nutrition. However, efforts in these countries to increase agricultural productivity and develop inclusive and competitive agricultural value chains are often hampered by market- and trade-related bottlenecks, while initiatives to promote agricultural commercialisation, diversification and trade are often constrained by bottlenecks at the farm or post-harvest level. These bottlenecks often result from, or are exacerbated by, misalignment between domestic agriculture and trade (and trade-related) policies.

Such policy incoherence arises, at least partly, from the fact that in most developing countries, "agriculture and trade-related objectives and strategies are identified through separate prioritization, negotiation and coordination processes, associated with agriculture and trade ministries respectively". Development partners have in many cases exacerbated this sectoral divide by providing support to sectoral processes through different departments or agencies. In addition, these sectoral policymaking and planning processes are often poorly coordinated: agriculture ministries develop agriculture policies and plans without engaging trade ministries, and vice versa.[2] In African LDCs, for example, agriculture plans have been developed – or adapted – in the context of CAADP, while trade planning is done – in many cases – in the context of the EIF and related Diagnostic Trade Integration Studies (DTIS). These frameworks involve different ministries, stakeholders, development partners and sources of financial support, and are poorly linked, if at all. As a result, where they address agriculture, countries' DTIS focus on export crops, while CAADP-related investment plans prioritise productivity, without giving sufficient attention to trade and market-related issues and constraints.

In theory, EIF/DTIS and CAADP processes, including the development of National Agricultural Investment Plans (NAIPs) that countries are meant to produce under CAADP, provide entry points for African countries to better link agriculture and trade policy objectives and improve coherence between their agriculture and trade policies. This is especially true in light of the 2014 Malabo Declaration,[3] which marked a shift to a more private sector-led approach to agricultural transformation in Africa, with a greater focus on trade. While improving trade-related capacity has always been a pillar of CAADP, in the decade following the 2003 Maputo Declaration, CAADP implementation focused largely on public investments in land, labour, water, infrastructure and technologies. Through the Malabo Declaration, African leaders noted their concern about the "limited progress" made under CAADP on agribusiness development and the fact that this was hampering value addition and trade. They also committed to tripling intra-African trade in agriculture, to promoting priority agricultural value chains and to creating more enabling environments for agricultural trade.

Furthermore, through the Malabo Declaration, African leaders also recognised "the importance of multi-sectoral engagement and co-ownership of this agricultural transformation agenda" within their public sectors, and hence "the importance of putting in place a coherent inter-sectoral coordination of the efforts and initiatives for optimising resource use, synergy and maximising outcome and impact". In this way, the Malabo Declaration provides a call for African countries to pursue

improved policy coherence for agricultural transformation, including through better coordination between agriculture and trade policymakers.

In this context, and drawing on its extensive experience and technical expertise in the areas of agriculture, trade and food security, the Food and Agriculture Organization (FAO) of the United Nations, in collaboration with the Enhanced Integrated Framework (EIF) and European Centre for Development Policy Management (ECDPM), implemented a Multipartner Programme Support Mechanism (FMM) Project on *Trade related capacity development for food security and nutrition in Eastern and Southern Africa (ESA)*. The overall aim of the FMM Project was to contribute to greater coherence between agriculture and trade-related policies and programmes in Mozambique, Rwanda, Tanzania and Zambia, and at the regional level in Eastern and Southern Africa, by promoting improved coordination between agriculture and trade policymakers and other relevant stakeholders. More specifically, the Project sought to:

- Document and draw lessons from existing institutional structures and mechanisms governing agriculture and trade policymaking processes in the four countries, identifying opportunities for better linking these processes to promote greater coherence in setting policy priorities and in the implementation of programmes
- Identify specific thematic areas prioritised by both agriculture and trade sector stakeholders, for which cross-sectoral programmes could be designed involving mutually reinforcing, coherent interventions by both agriculture and trade policymakers
- At a regional level, promote dialogue, knowledge exchange, and coordination among technical officers from Ministries of Agriculture, Trade, Industry, Finance and other relevant ministries in Eastern and Southern Africa, thereby facilitating the creation of a regional network

This Synthesis Report presents the main findings of four country studies conducted under Phase 1 of the FMM Project. The studies, carried out in Mozambique, Rwanda, Tanzania and Zambia during 2017, assessed the alignment of agriculture and trade policies in the four countries and the state of coordination between agriculture and trade policymaking processes in the countries.

KEY MESSAGES FROM THE COUNTRY STUDIES

Some of the key messages to emerge from the findings of these country studies are:

On sectoral policy frameworks, strategy documents and plans

CAADP-aligned National Agricultural Investment Plans (NAIPs) play a central role in agriculture policymaking in the four countries, while trade policy frameworks across the four countries are relatively more fragmented.

Agriculture policies, strategies and plans, including NAIPs, do not sufficiently address market and trade-related constraints to agricultural transformation, but NAIPs updates provide an opportunity to better mainstream trade-related priorities into national agriculture policy frameworks.

The commercialisation of agriculture and the promotion of value addition provide logical entry points for cross-sectoral collaboration, but these priorities are not consistently translated into specific interventions, and where they are, they sometimes clash with other policy priorities.

On institutional mechanisms for coordination

Various mechanisms have been established to promote policy coordination within the agriculture and trade sectors, and between these sectors, but their effectiveness has been mixed, in part due to their limited links with national planning and budgeting processes, which limits their effectiveness in facilitating coordination in programme implementation.

Linkages between NAIP and DTIS processes, and between national CAADP and EIF structures, are weak, and could be strengthened as a way to promote greater alignment of agriculture and trade policymaking, strategic planning and programme implementation.

National agriculture and trade policy and strategy formulation processes could benefit from a more consistent and inclusive approach to involving local government officials, private sector representatives and other non-state actors.

On sectoral budgets and donor support

Public spending on agriculture is much greater than public spending on trade-related policies and programmes in the four countries, but agriculture sector budget allocations are not always effectively disbursed.

In some cases, agriculture budgets are not fully aligned with NAIP objectives, and are instead dominated by a small number of programmes, typically involving input subsidies or market price support for a narrow range of commodities, limiting the resources available for addressing trade- and market-related constraints in the agriculture sector.

Development partners continue to play an important role in the agriculture and trade sectors in the four countries, but there is room for improvement with regard to donor coordination within and between these sectors.

On policy intervention areas jointly prioritised by agriculture and trade sector stakeholders

Limited availability of timely, credible and consistent data on agricultural production, prices, stocks, marketing and trade hampers evidence-based decision making by both public and private sector actors in the four countries, contributing to a lack of transparency and predictability in the policy environment for agricultural trade.

The four countries have prioritised efforts to improve the reliability and consistency of agricultural production, marketing and trade data collection – including data on production volumes, prices and stocks – and have also prioritised efforts to better manage and disseminate the data among stakeholders, and to improve capacities for data analysis to support evidence-based policy decisions, presenting an opportunity for initiating targeted cross-sectoral programmes in this area.

Greater and more coordinated investment and policy attention is needed in the farm-to-market segment of agricultural value chains in the four countries, particularly in relation to priority agricultural value chains.

Improved capacities and more effective cross-sectoral coordination are needed at the national level to ensure that the application of SPS measures and other customs and administrative proce-

dures do not constitute unnecessary bottlenecks to trade, while mutual recognition and/or harmonisation of standards at the regional level and regional trade facilitation mechanisms are needed to facilitate smallholders' access to regional and international markets.

RECOMMENDATIONS

Based on these findings and key messages, the Report proposes the following as recommendations for development partners and other relevant stakeholders wishing to support or encourage more effective coordination of agriculture and trade policymaking in the four countries (and other African LDCs), promote improved coherence between national agriculture and trade policies and facilitate more conducive national policy environments for agricultural transformation:

- Encourage a more consistent approach to mainstreaming trade and marketing issues into agriculture policy planning and implementation processes and structures;
- Support more effective cross-sectoral coordination, with stronger links to annual planning and budgeting processes and an explicit role in programme implementation;
- Encourage efforts to promote more consistent and inclusive consultation by national agriculture and trade policymakers with local government officials, the private sector and other non-state actors to inform national policy planning and implementation;
- Support specific initiatives in the three intervention areas identified as priorities by both agriculture and trade stakeholders in the four countries, namely:
  - improving national systems for the collection, management and dissemination of agricultural production, marketing and trade data;
  - strengthening the farm-to-market segment of priority agricultural value chains; and
  - improving national capacities and coordination structures for the effective application of SPS and trade facilitation measures;
- Where appropriate, support the strengthening of relevant technical capacity on agricultural trade and marketing where it is lacking;
- Support efforts to facilitate cross-country learning and knowledge exchange on relevant issues in agricultural trade;
- Better coordinate Aid for Trade, and other forms of donor and development partner support, to avoid reinforcing divisions between national agriculture and trade policymaking processes:
- Ensure that all forms of support are based on a good understanding of public and private challenges in agriculture and trade in recipient countries as well as a good understanding of the political economy of agriculture and trade policymaking in the countries.

Introduction

In many developing and least-developed countries (LDCs), agricultural transformation is needed to stimulate economic development and improve domestic food security and nutrition. However, efforts in these countries to increase agricultural productivity and develop inclusive and competitive agricultural value chains are often hampered by market- and trade-related bottlenecks, while initiatives to promote agricultural commercialisation, diversification and trade are often constrained by bottlenecks at the farm or post-harvest level.

These bottlenecks often result from, or are exacerbated by, misalignment between the aims and instruments of domestic agriculture and trade policies, which can create an unfavourable environment for agricultural trade and retard agricultural transformation. In theory, such 'policy incoherence' is more likely to occur where policymaking happens in sectoral 'silos', without the engagement of stakeholders from other related policy sectors. Where this is the case, improving coordination between agriculture and trade policymakers, and other stakeholders, may be one way to promote improved policy coherence. Of course, other interests and factors beyond a 'lack of coordination' may also contribute to policy incoherence, and therefore may also need to be addressed.

In this context, and drawing on its extensive experience and technical expertise in the areas of agriculture, trade and food security, the Food and Agriculture Organization (FAO) of the United Nations, in collaboration with the Enhanced Integrated Framework (EIF) and European Centre for Development Policy Management (ECDPM), implemented a Multipartner Programme Support Mechanism (FMM) Project on *Trade related capacity development for food security and nutrition in Eastern and Southern Africa (ESA)*, which aims to contribute to improved policy coherence for agricultural development and food security in these countries.

This Synthesis Report presents the main findings of four country studies conducted under the FMM Project. The studies, carried out in Mozambique, Rwanda, Tanzania and Zambia during 2017, assessed the alignment of agriculture and trade policies in the four countries and the state of coordination between agriculture and trade policymaking processes in the countries.

The rest of this Introduction discusses policy coherence and its relevance for African countries in the context of agriculture and trade, before setting out the objectives of the FMM Project and explaining the approach adopted. Section 2 presents the main findings of the country studies in the form of key messages. Finally, Section 3 concludes with recommendations for development partners, national governments, regional organisations and other relevant stakeholders in light of these key messages.

POLICY COHERENCE FOR AGRICULTURAL DEVELOPMENT AND FOOD SECURITY

What is policy coherence?

In international development cooperation, the term 'policy coherence' has become associated with the principle of policy coherence for development (PCD). This principle holds that in formulating national policies, developed countries should consider the impacts of these policies on developing countries and should adjust their policies in order to eliminate or at least mitigate **potentially negative impacts** (Mackie *et al.,* 2017). The principle of PCD originated from a realisation among Organisation for Economic Cooperation and Development (OECD) countries that their national policies in areas such as trade, agriculture, finance and security can significantly impact developing countries and can potentially undermine development cooperation efforts in recipient countries.For example, agricultural subsidies in rich countries can lead to their food products flooding

the markets of developing countries, thereby undermining development cooperation efforts to stimulate agricultural production in those developing countries.

One way to pursue PCD is to coordinate policymaking across different ministries to ensure that development policies and policies in other 'sectors' (i.e. areas of public policy addressed by a specific ministry) are "mutually supportive" rather than "offsetting". This is the concept of 'horizontal coherence' between the policies of different sectors.[1] Providing market access to goods from developing countries (through trade policy) while simultaneously supporting efforts to improve the capacity of firms in those countries to produce tradable goods (through development policy instruments such as Aid for Trade) would be an example of mutually supportive policies. Supporting Aid for Trade while blocking imports would be an example of offsetting policies.

Whereas policy coherence in the context of PCD has generally focused on the coherence of developed countries' policies with their development objectives, the core idea of policy coherence, that it involves the "systematic promotion of mutually reinforcing policy actions across government departments and agencies, creating synergies towards achieving the agreed objectives," has broader relevance for development. In particular, developing countries can also strive for policy coherence by seeking to improve coherence between their own domestic sectoral policies and ensuring that these policies are mutually reinforcing, especially in relation to key national development objectives such as agricultural transformation and improved food security. This is the context in which policy coherence is used in this report.

The idea of developing countries pursuing policy coherence is particularly relevant in the era of Sustainable Development Goals (SDGs) that require collective action by developed and developing countries. Indeed, with the adoption of the 2030 Agenda for Sustainable Development and the Addis Ababa Action Agenda, all UN Member States, including developing countries, committed to "pursuing policy coherence and an enabling environment for sustainable development at all levels and by all actors". Furthermore, SDG Target 17.14 is to "enhance policy coherence for sustainable development".

What is the relevance of policy coherence for African countries' agriculture and trade policies?

One of the main reasons to pursue policy coherence is to ensure "efficient, effective and credible" policies. In the context of PCD as used by OECD and European Union (EU) countries, policy coherence is pursued to ensure that the efficiency, effectiveness and credibility of their development policies is not undermined by their policies in other sectors. As noted above however, the idea of policy coherence is also relevant for developing country governments that wish to ensure that, for example, their trade policies do not undermine the efficiency, effectiveness and credibility of their agriculture policies, or vice versa.

These two sectors – agriculture and trade – are central to Africa's development prospects, particularly for the continent's many LDCs. The Comprehensive Africa Agriculture Development Programme (CAADP), the pan-African policy framework for agricultural transformation, recognises that enhanced agricultural performance is key to economic growth and poverty reduction through its direct impact on job creation and on livelihood opportunities for women and youth, as well as through its impact on food security and improved nutrition. Agricultural transformation is also important due to the linkages between agriculture and other sectors, and the role agro-processing and agribusiness can play in spurring industrial development on the continent.

It is also widely accepted that in the context of development, trade and economic growth are intimately linked. Countries that have experienced sustained

[1] Carbone, M. 2008. 'Mission Impossible: the European Union and Policy Coherence for Development,' in *Journal of European Integration,* Vol. 30. Carbone also highlights other dimensions of policy coherence, such as coherence between policies within a particular sector at different levels of government ('vertical coherence') or between donors' foreign policies and partner countries' domestic policies ('donor-recipient coherence').

economic growth and economic development have also tended to increase their integration into the global economy through trade. Moreover, export-led growth has been a central component of many countries' successful economic development strategies. It is this belief in trade as a pathway to development that inspired the Aid for Trade (AfT) initiative and the establishment of the Enhanced Integrated Framework (EIF), a multilateral partnership dedicated to assisting LDCs to use trade as an engine for growth, sustainable development and poverty reduction.

Agriculture and trade are closely interrelated, especially in African LDCs, where much trade is in agricultural products. Trade and trade-related policies that promote African trade can stimulate economic growth and development on the continent, but they can also play an important role in supporting the financing and implementation of agriculture and food security strategies and investment plans in African countries, including those related to CAADP. Such policies are particularly relevant due to their ability to create or contribute to the enabling conditions for mobilising different sources of finance in support of agriculture policies, plans and programmes.

Despite the importance of these two policy sectors, and their interrelation, many African countries' agriculture and trade-related policies (including policies on investment, industrialisation and private sector development) are not as mutually reinforcing as they could be, and in some cases partly offset each other. For example, many African governments aim to stimulate agricultural productivity and production by providing input subsidies and market price support schemes. At the same time, some also make use of ad-hoc export bans on certain commodities to ensure local food supply. This policy mix creates conflicting incentives for producers and creates a less predictable environment for private investment in the affected value chains. In other cases, opportunities for the commercialisation and trade of certain products exist, but are not exploited, because governments do not invest in the public goods needed to address critical supply-side constraints, despite professing to prioritise agricultural commercialisation and value addition.

More broadly, there is significant room for improvement in most African countries in terms of integrating trade and trade-related issues into agriculture development policies and programmes, as these often do not clearly reflect the trade and trade-related priorities of the country. Similarly, African countries' agricultural trade priorities are often not aligned to the priority investment areas within their agriculture sectors, while their national trade strategies do not fully integrate agriculture-related policy objectives such as reducing rural poverty, improving food security and nutrition, and enhancing the sustainability of local food systems.

Such policy incoherence can create different perceptions of national agricultural trade priorities among domestic actors and development partners and can contribute to an inefficient allocation of government and donor resources within and across the two sectors. It can also complicate efforts to attract private investment into these sectors. Addressing such policy incoherence is therefore crucial for supporting agricultural transformation and economic growth in Africa.

Better coordination of parallel policy processes in agriculture and trade

Agriculture-trade policy incoherence arises, at least partly, from the fact that in most developing countries, "agriculture and trade-related objectives and strategies are identified through separate prioritization, negotiation and coordination processes, associated with agriculture and trade ministries respectively". Development partners have in many cases exacerbated this sectoral divide by providing support to sectoral processes through different departments or agencies. In addition, these sectoral policymaking and planning processes are often poorly coordinated: agriculture ministries develop agriculture policies and plans without engaging trade ministries, and vice versa. In African LDCs, for example, agriculture plans have been developed – or adapted – in the context of CAADP, while trade planning is done – in many cases – in the context of the EIF and relat-

ed Diagnostic Trade Integration Studies (DTIS). These frameworks involve different ministries, stakeholders, development partners and sources of financial support, and are poorly linked, if at all. As a result, where they address agriculture, countries' DTIS focus on export crops, while CAADP-related investment plans prioritise productivity, without giving sufficient attention to trade and market-related issues and constraints.

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Furthermore, through the Malabo Declaration, African leaders also recognised "the importance of multi-sectoral engagement and co-ownership of this agricultural transformation agenda" within their public sectors, and hence "the importance of putting in place a coherent inter-sectoral coordination of the efforts and initiatives for optimising resource use, synergy and maximising outcome and impact". In this way, the Malabo Declaration provides a call for African countries to pursue improved policy coherence for agricultural transformation, including through better coordination between agriculture and trade policymakers.

In order to achieve these objectives, African LDCs will need to be supported to reform their own governance systems to facilitate the mainstreaming of agriculture priorities into trade-related policymaking, and vice versa, and the strengthening of cross-sectoral collaboration between their agriculture and trade policymakers (and other stakeholders).

PROJECT OBJECTIVES

Within the context described above, the overall aim of the FMM Project was to contribute to greater coherence between agriculture and trade-related policies and programmes in Mozambique, Rwanda, Tanzania and Zambia, and at the regional level in Eastern and Southern Africa, by promoting improved coordination between agriculture and trade policymakers and other relevant stakeholders. More specifically, the Project sought to:

- Document and draw lessons from existing institutional structures and mechanisms governing agriculture and trade policymaking processes in the four countries, identifying opportunities for better linking these processes to promote greater coherence in setting policy priorities and in the implementation of programmes
- Identify specific thematic areas prioritised by both agriculture and trade sector stakeholders, for which cross-sectoral programmes could be designed involving mutually reinforcing, coherent interventions by both agriculture and trade policymakers
- At a regional level, promote dialogue, knowledge exchange, and coordination among technical officers from Ministries of Agriculture, Trade, Industry, Finance and other relevant ministries in Eastern and Southern Africa, thereby facilitating the creation of a regional network

PROJECT APPROACH

Project activities and methodology

Both regional level and national level activities were carried out in order to achieve the objectives of the Project. The regional level activities involved capacity building for technical officers from Ministries of Agriculture, Trade, Industry, Finance, and related institutions, from over 15 countries in Eastern and Southern Africa (ESA), on issues related to agricultural trade. It included the delivery of two e-learning courses tailored to the ESA region – on 'Agriculture in Trade Agreements' and on 'Trade, Food Security and Nutrition' – and the organisation of two public dialogues with selected course participants, with a view to creating a network of relevant stakeholders.

The national level activities were carried out in two phases. During Phase 1, country studies were carried out in Mozambique, Rwanda, Tanzania and Zambia. These involved the analysis of: national agriculture and trade reference policies and strategies, including the NAIP and DTIS, to assess coherence between them; priorities identified in each country's NAIP and DTIS in order to identify gaps and synergies; and existing sectoral and inter-sectoral coordination mechanisms relevant to the formulation and implementation of agriculture and trade policies in the four countries, and their effectiveness. This analysis was carried out through desk reviews of policy and strategy documents and through a series of bilateral consultations and focus group discussions with agriculture and trade stakeholders in the four countries, mostly with representatives of agriculture and trade ministries, but also, to a lesser extent, with private sector stakeholders and donor representatives. The four studies' findings reflect the views of these stakeholders as well as the content of agriculture and trade policy frameworks in the countries.

Phase 1 concluded with the organisation of multi-stakeholder workshops in each of the four countries to present the findings and recommendations of the country studies to agriculture and trade policymakers and other relevant stakeholders, and to get their feedback on and validation of the analysis. Stakeholders who participated in these workshops included representatives from agriculture and trade ministries and other public officials, private sector representatives, development partners, civil society representatives, national EIF and FAO representatives, academics and members of the media. The workshops were also used to generate discussion on promising opportunities for promoting improved cross-sectoral coordination, and to identify policy issues prioritised by both agriculture and trade stakeholders, and for which projects could be developed that might also stimulate enhanced cross-sectoral coordination.

Building on the identification of these priority intervention areas, Phase 2 of the FMM Project involved further analysis of budget allocations and existing donor- and government-funded programmes relating to these intervention areas, the development of project proposals to address specific programmatic gaps in these areas and workshops and consultations with public sector stakeholders and relevant development partners.

A focus on existing agriculture and trade-related structures and processes

The FMM Project aimed to improve cross-sectoral coordination for improved coherence between agriculture and trade policies in the four countries, but it was not intended to promote the formulation of new policies and strategies or the establishment of new coordination mechanisms and structures. Instead, the project aimed to strengthen and improve existing mechanisms and processes based on the institutional and policy frameworks already in place in the four countries. In this regard the country studies carried out through the FMM project focused on identifying opportunities for strengthening and better linking these structures and processes, where appropriate.

On the agriculture side, national CAADP processes and structures, and in particular the development of NAIPs, provided an obvious point of focus for the analysis, especially given the prominence of CAADP as a policy framework and the fact that countries are supposed to update their original NAIPs to better align these with the Malabo Declaration. The process of updating NAIPs opens space for better integration of trade and

trade-related issues into agriculture planning in African countries in line with the increased focus on private sector engagement in CAADP implementation post-Malabo. Such a focus can be seen, for instance in the development under CAADP of the Country Agribusiness Partnerships Framework (CAP-F) as a tool to supplement NAIPs by stimulating private investments.

On the trade side, there is no single policy framework equivalent to the CAADP in the focus countries for this Project, so the Project analysed all relevant trade policy frameworks and their related structures and processes, giving particular attention to EIF/DTIS structures and processes as these are common across the four countries and other African LDCs (See Box 1). The fact that CAADP/NAIP and certain trade-related structures and processes, including those pertaining to the EIF/DTIS, are common to most African LDCs means that the lessons drawn by the Project in relation to these structures and processes in the FMM Project countries would likely have broader relevance across the African continent.

BOX 1. The Enhanced Integrated Framework (EIF)
The EIF is a multi-donor programme, which provides a framework bringing together stakeholders around a common set of priorities and institutional mechanisms guiding Aid for Trade (AfT), and is active in 33 LDCs across Africa, including all four FMM Project countries. The EIF supports the production of periodic Diagnostic Trade Integration Studies (DTIS) in these countries. These instruments are meant to identify key constraints to trade and opportunities for trade expansion, and to include an Action Matrix of priority interventions to address these constraints or exploit these opportunities. In turn, this Action Matrix is then meant to serve as a reference for coordination of donors' trade-related support to the country.

Using a food systems approach

In carrying out the FMM Project, the Project team made use of a 'food systems' approach to better understand the complexities inherent in trying to promote greater coherence between agriculture and trade policies, and to encourage policymakers in the four countries to develop and implement policy interventions that go beyond narrow sectoral (agriculture, trade) boundaries and which account for relevant trends and policy frameworks at multiple levels (regional, multilateral).

A food system includes, at a minimum, all the activities involved in producing, processing, packaging, distributing, retailing and consuming the food in question. In other words, it comprises the entire chain of activities linking producers to consumers. Every food system offers "multiple potentially competing and complementary points for intervention". To achieve just one specific policy objective – say reduced food insecurity – policymakers might, among other things, reform input markets, subsidise inputs, support women and/or smallholder farmers, improve water and energy systems, invest in transport infrastructure, liberalise trade, strengthen property rights or invest in rural non-farm economies. Even in the pursuit of this one policy objective, such policy interventions could be mutually supporting or offsetting. Bringing in additional objectives such as increased exports, or greater domestic value addition increases the number of entry points for policy intervention, but also the potential for offsetting policies and policy incoherence. In the context of multi-level, and increasingly globalised food systems, regional and international trends (e.g. increased globalisation of trade in particular commodities) and policy frameworks (e.g. global trade rules), add yet another layer of complexity to consider in developing appropriate policy interventions at the national level.

Looking through the lens of a food systems approach can enable policymakers, researchers and practitioners to take into account all the elements and activities that relate to the production, processing, distribution, preparation and consumption of food, including those not typically considered part of the agriculture sector and those occurring outside national boundaries. Taking a more holistic view of the factors and actors that shape food systems can be helpful in identifying appropriate entry points to catalyse change towards more desirable

policy outcomes. These outcomes may relate to food security, employment, natural resource management, social development and/or economic growth.

Using a food systems framework is also increasingly seen as a meaningful approach to understand the fundamental changes such as rapid urbanisation, depleting natural resources and major changes in local and global food markets are affecting dynamics around food, nutrition and agriculture. It helps unpack how different drivers influence the way food systems function. Many of these drivers are somehow related to markets and trade; changing consumer demand, hard and soft infrastructure, regulations, trade barriers and fiscal incentives etc. A food systems approach can help understand the role and influence (including negative) of trade-related actors and activities and how these impact on and interact within a particular food system. Not all of these factors are influenced by government policies, but it is pertinent to understand their full range, in order to see how a government policy may help drive the system into the desired direction in terms of agricultural production/productivity, commercialisation and value addition and food security and nutrition.

Findings from the country case studies

This section presents the findings of the four country case studies in the form of key messages relating to: i) sectoral policy frameworks, strategy documents and plans; ii) institutional mechanisms for coordination; iii) sectoral budgets and donor support; and iv) priority areas for cross-sectoral coordination. As noted above, these findings are based on a review of existing policy documents in the four countries, as well as the responses of those stakeholders consulted in the course of the studies, mostly government officials from agriculture and trade ministries, but also some private sector stakeholders and donor representatives.

SECTORAL POLICY FRAMEWORKS, STRATEGY DOCUMENTS AND PLANS

This subsection highlights the key messages that emerged from the country studies in relation to the sectoral policy frameworks and stated sectoral priorities in the countries.

Sectoral policy frameworks

CAADP-aligned National Agricultural Investment Plans (NAIPs) play a central role in agriculture policymaking and in strategic planning and programme implementation in the agriculture sector in the four countries.

NAIPs are key components of the agriculture policy frameworks in place in the four countries, as shown by Figure 1, which provides a schematic representation of the typical agriculture policy framework in the four countries. Mozambique's National Agricultural Investment Plan (PNISA) operationalises the country's medium-term agricultural strategy, the Strategic Plan for the Development of the Agricultural Sector (PEDSA), and also informs key elements of the government's current Five-Year Plan (PQG). Similarly, Rwanda's NAIP, the Agriculture Sector Investment Plan (ASIP II), operationalises the country's Strategic Plan for the Transformation of Agriculture, and all agriculture sector programmes in Rwanda are aligned

FIGURE 1. Typical agriculture policy framework in the four countries

to ASIP objectives.[2] Zambia's NAIP, meanwhile, is aligned to the country's Second National Agriculture Policy (NAP) 2016-2020, but provides a narrower focus on specific priority interventions in the medium term. As the only costed policy framework for agriculture in Zambia, the NAIP is considered by stakeholders to be a key reference document for annual planning and budgeting. In Tanzania, the guiding strategy for the agriculture sector is the Agricultural Sector Development Strategy 2015/16-2024/25 (ASDS II), which is implemented through the Agricultural Sector Development Programme 2017-2022 (ASDP II). ASDS II objectives and ASDP II outputs are aligned to Tanzania's NAIP, the Tanzania Agriculture and Food Security Investment Plan (TAFSIP) 2011/12-2020/21. The TAFSIP, meanwhile, is used as a resource mobilization tool for the ASDP II, and also informed the review of the National Agricultural Policy of 2013.

Trade policy frameworks across the four countries are relatively more fragmented, as the countries have adopted a number of policies and strategies relevant to trade.

Not all countries have adopted a dedicated reference policy or strategy on trade. Zambia's Commercial, Trade and Industrial (CTI) Policy (2010) serves as a key reference policy for trade in the country.[3] Mozambique and Rwanda on the other hand, have a number of policies relevant to trade and industry. The main policy instruments for trade in Mozambique are the DTIS, updated in 2015, the Integrated Plan for Agricultural Commercialisation (PICA) and the Industrial Policy and Strategy 2016-2025. Trade policy objectives are also contained in the Government of Mozambique's Five-Year Plans. Similarly, in Rwanda, a number of policies and strategies have been relevant for trade, including the Private Sector Development Strategy 2013-2017, the National Export Strategy (2011), the Cross-Border Trade Strategy 2012-2017 and the Domestic Market Recapturing Strategy (2015). Tanzania has also adopted a number of trade-related policies and strategies, including the National Trade Policy (2003), the Sustainable Industrial Development Policy (1996-2020), the Small and Medium Enterprise Policy (2003) and the Tanzania National Export Strategy (2010-2014). The Government of Tanzania also developed the Tanzania Trade Integration Strategy 2009-2013 (TTIS) to operationalise trade sector policies and serve as a key strategic framework for trade sector development and trade-related financial and technical assistance in the country.[4]

The role and influence of the DTIS vary significantly across the four countries, and these instruments are apparently not well known outside national ministries of trade.

In some of the countries, the DTIS has influenced policymaking directly. For example, Tanzania's TTIS was based on a prioritisation and updating of the country's DTIS (2005) Action Matrix, and a new TTIS will be developed once the ongoing update of the DTIS is complete.[5] Similarly, in Zambia, the most recent DTIS (2014) informed the development of 7th National Development Plan and the new Trade Policy and Export Strategy, while the previous DTIS (2005) was a key reference document in the formulation of the CTI Policy. The current DTIS is said to be a reference for annual planning and budgeting, although the 2016 MCTI budget does not reflect interventions outlined in the DTIS Action Matrix. Awareness of the DTIS in Zambia is limited out-

[2] While the Ministry of Agriculture (MINAGRI) is in the process of redrafting and reformulating its National Agricultural Policy (NAP) - last revised in 2004 and widely considered outdated - the PSTA and ASIP, effectively play the role of agricultural policy in Rwanda, with the ASIP being the central implementation plan and budgeting framework for the agriculture sector in the Rwanda.

[3] The Government of Zambia is currently finalising a new Trade Policy and Export Strategy to replace the current policy.

[4] The TTIS was meant to be implemented through a Trade Sector Development Programme (TSDP) put in place to coordinate funding and interventions in the trade sector, but this did not occur as planned due to a lack of donor buy-in to the Government's basket funding mechanism and concerns about accountability.

[5] To address concerns that the 2005 DTIS was too wide in scope, the update will focus on three sectors – agriculture, tourism and mining. The DTIS update will also cover Zanzibar, which was not covered in the 2005 DTIS.

TABLE 1. Agriculture and trade policies and strategies in the four countries

	MOZAMBIQUE	RWANDA	TANZANIA	ZAMBIA
National development vision and associated plans and strategies	Agenda 2025; National Development Strategy (ENDE) 2015-2035	Vision 2020; Economic Development and Poverty Reduction Strategy (EDPRS)	Tanzania Development Vision 2025; Long-Term Perspective Plan (LTPP) 2011-2025	Vision 2030; Seventh National Development Plan (NDP) 2017-2021
National Agriculture Policy or Strategy	Strategic Plan for the Development of the Agricultural Sector (PEDSA) 2010-2019	Plan for the Strategic Transformation of Agriculture (PSTA III), 2013-2017; National Agricultural Policy (NAP), 2004	Agricultural Sector Development Strategy (ASDS) II 2015/16-2024/25; National Agriculture Policy (2013)	Second National Agriculture Policy (NAP) 2016-2020
National Agricultural Investment Plan	National Agricultural Investment Plan (PNISA), 2014-2018	Agricultural Strategic Investment Plan (ASIP II), 2014-2018	Tanzania Agriculture and Food Security Investment Plan (TAFSIP) 2011/12-2020/21	National Agriculture Investment Plan (NAIP), 2014-2018
Agricultural commercialisation policy or strategy	Integrated Plan for Agricultural Commercialisation (PICA)		Agricultural Marketing Policy, 2008	
Trade policy or strategy			Tanzania Trade Integration Strategy (TTIS), 2009-2013; National Trade Policy (2003)	Commercial, Trade and Industrial Policy, 2010; National Trade Policy
Industrial policy	Industrial Policy and Strategy (PEI), 2016-2025	National Industrial Policy (2011); Domestic Market Recapturing Strategy, 2015	Sustainable Industries Development Policy (1996-2020)	Commercial, Trade and Industrial Policy, 2010
Private sector development policy or strategy		Private Sector Development Strategy (PSDS)	Small and Medium Enterprises Development Policy (2003)	
Investment policy			Investment Promotion Policy (1996)	
Export Strategy	National Export Strategy 2012-2017	National Export Strategy (NES) (2011)	Tanzania National Export Strategy (2010-2014)	National Export Strategy (forthcoming)
Other trade strategy		Cross-Border Trade Strategy 2012-2017		
Diagnostic Trade Integration Study	DTIS (2004); DTIS update (2015)	DTIS (2005); DTIS update (2009); DTIS update (2011); DTIS update (2014)	DTIS (2005); DTIS update (2017)	DTIS (2005); DTIS update (2014)

side MCTI, possibly due to the fact that it is conducted outside of normal government policy formulation and approval procedures.

In the other countries, the DTIS has proven less influential. In Mozambique, the DTIS is meant to serve as a key reference instrument for external trade by providing the Ministry of Industry and Trade (MIT) with an overall indication of national trade-related needs and priorities and is also meant to inform the government's five-year plans. According to stakeholders, however, MIT makes little use of the DTIS as a reference document, possibly due to the fact that the EIF implementation unit responsible for ensuring DTIS priorities are included in the government's annual plans and budgets is understaffed. Instead, the DTIS has mainly been used by development partners to prioritise certain areas for

support. The DTIS is also not well known at the provincial level in Mozambique, where many key trade-related bottlenecks occur.

In Rwanda, previous iterations of the DTIS directly influenced the design of trade policies and programmes, but the most recent DTIS (2014) is not considered a central component of the country's strategic framework for trade and stakeholders suggested that it is not used as a reference document for trade-related planning processes. Instead, the DTIS is used mainly as a tool to obtain funding from EIF for projects already planned by the Ministry of Trade and Industry. The current DTIS Action Matrix mirrors the PSDS in addressing broader private sector development issues, but with better design and a narrower focus on trade, the DTIS could become a central reference document for trade, thereby filling a gap in Rwanda's otherwise well-defined strategic framework for private sector development.

Stated sectoral priorities in agriculture and trade

The four countries' agriculture policies, strategies and plans, including their NAIPs, do not sufficiently address market and trade-related constraints to agricultural transformation, but NAIP updates provide an opportunity to better mainstream trade-related priorities into national agriculture policy frameworks.

The four countries' NAIPs prioritise interventions relating to production, productivity and, to a greater or lesser degree, commercialisation and value addition, but, with the exception of Tanzania's TAFSIP,[6] do not prioritise trade-related interventions. While the NAIPs of Mozambique and Zambia recognise the importance of an enabling trade environment for agricultural development, neither contains specific interventions on, for example, trade facilitation, regional cooperation on standards, market access constraints or improving the environment for agricultural trade and development. In Rwanda's case, the lack of a well-designed trade component in the country's NAIP is said to reflect the fact that market and trade-related constraints have at times been given insufficient appreciation by the country's agriculture policymakers.

The agriculture policy frameworks in these countries could give greater priority to specific market and trade-related issues through, for example, the inclusion of dedicated trade chapters in key agricultural policies and strategies.[7] Given the central role NAIPs play in strategic planning and policy implementation in these countries, ongoing and future NAIP revisions provide an important opportunity for mainstreaming trade-related issues into policy planning and implementation in the agriculture sector. This is especially true given that the next generation of NAIPs are being developed in the context of Country Agribusiness Partnership Frameworks (CAP-F), which motivate a shift in focus from public investment to stimulating private investment, a shift that will entail greater emphasis on trade and investment opportunities and constraints. The inclusion in these NAIPs of dedicated trade components that go beyond simply identifying priority export commodities, and that address relevant market and trade-related priorities such as quality standards and certification, could promote greater policy coherence between the agriculture and trade sectors. This will, however, require sound analysis of relevant issues, as well as effective coordination between trade and agricultural policymakers and other relevant stakeholders. It may also require the strengthening of trade policy expertise in ministries of agriculture.[8]

Commercialisation of agriculture and the promotion of value addition are prioritised by both agriculture and trade policy frameworks in the four countries,

[6] Among other things the TAFSIP puts emphasis on improving market infrastructure and growing exports of agricultural commodities.

[7] This need has been recognised in Zambia, where Ministry of Agriculture officials have suggested that a lack of explicit trade-related priorities within the agriculture policy framework complicates efforts to engage with the Ministry of Commerce, Trade and Industry.

[8] The need for greater trade policy expertise has been recognized by Rwanda's MINAGRI, which is planning to create a new position of 'trade focal point' within its planning department.

providing a logical entry point for cross-sectoral collaboration, but these priorities are not consistently translated into specific interventions, and where they are, they sometimes clash with other policy priorities.

In Zambia, for instance, agriculture and trade policy documents are not specific enough in terms of objectives or interventions at the level of particular commodities or value chains. The National Agricultural Policy and NAIP lack sufficient detail on trade and market development-related objectives, priorities and interventions at the sub-sector level, while the Commercial, Trade and Industrial Policy and DTIS do not specify value-chain specific priorities for agricultural commodities. Furthermore, while the NAIP and DTIS identify common priority commodities for commercialisation and value addition, they do not identify specific corresponding interventions for these commodities. This lack of specificity hampers the translation of policy priorities into effective policy implementation.

In other cases, priorities related to commercialisation are considered to be conflicting with priorities for ensuring household food security. In Rwanda, for example, certain crops have been identified as priority crops for both commercialisation and food security, notably maize, which is prioritised as both an input for agro-processing activities, and a strategic crop to promote food import substitution. In the absence of other supporting policy measures, these dual objectives appear to conflict, especially when demand from industry pushes up prices for consumers, threatening food security objectives. Similar tensions are present in Tanzania, where, despite commercialisation and value addition being a priority of agriculture and trade policy, the government focuses more on encouraging small farmers to produce for household food security, than on promoting commercialisation and stimulating the business orientation of farmers. This is despite the fact that commercialisation of agriculture, by contributing to improved incomes, can be an important factor in achieving household food security, as is recognised in the literature.

Better alignment of NAIP and DTIS priorities could contribute to greater coherence between agriculture and trade strategies and programmes, and to ensuring cross-sectoral priorities are translated into the implementation of concrete interventions.

There is a strong rationale for ensuring revised NAIPs include chapters dedicated to identifying specific trade- and market-related priorities for the agriculture sector and targeted interventions to address these priorities, including, where relevant, value chain commodity specific interventions. Including these priorities and interventions in DTIS Action Matrices as well would result in key cross-sectoral priorities being reflected in both agriculture and trade policy frameworks. This would provide a strong basis for cross-sectoral coordination around the implementation of targeted interventions to address these priorities, and for mobilising development partner support for the implementation of these interventions. Subsequent DTIS updates could also be used to inform the development or refinement of NAIP chapters on trade and marketing, drawing on EIF technical expertise and resources provided by EIF donors. Greater coordination of the analysis and consultations undertaken for the NAIP with the analysis and consultations undertaken for the DTIS, would help ensure these instruments prioritise mutually reinforcing interventions where appropriate.

INSTITUTIONAL MECHANISMS FOR COORDINATION

It is widely recognised in the four countries that more effective coordination between agriculture policymakers and trade policymakers – and other relevant actors – can contribute to greater policy coherence and more effective policy and programme implementation. In this regard, the country studies identify a number of coordination mechanisms and processes that have been set up or initiated in the four countries to strengthen sectoral and cross-sectoral coordination. This subsection highlights the key messages to emerge from the studies in relation to cross-sectoral coordination efforts in these countries.

Coordination between ministries of agriculture and trade

Various mechanisms have been established in the four countries to promote coordination around policymaking within the agriculture and trade sectors, and between these sectors, but the sustainability and effectiveness of these mechanisms has been mixed, in part due to their limited links with national planning and budgeting processes, which limits their effectiveness in facilitating coordination in programme implementation.

In Rwanda, the government has established Sector Working Groups (SWGs) for facilitating dialogue and strategic coordination between government, development partners and other stakeholders around the design and implementation of sectoral policies. The SWG model focuses on engagement, promotes synergies and harmonisation at a technical level and avoids duplicative requests for meetings, missions, analyses and information, thereby reducing transaction costs incurred during policy design and implementation. The Agricultural Sector Working Group (ASWG) and Private Sector Development, Youth and Employment Sector Working Group (PSDYE SWG) - the relevant SWG for trade policy - are comprised of various technical sub-groups, and they have become the prime focus for dialogue and coordination at the sectoral level. However, the SWG model still has room for improvement. Due to their setup, with coordination centralised within relevant ministries, and the need for quarterly meetings, SWGs are sometimes viewed as forums for government to present its plans, as opposed to platforms for supporting collaborative identification of priorities and design of programmes between the government, development partners and other stakeholders. This is a challenge that exists in both agriculture and trade policymaking processes, and that has been highlighted in recent government assessments of the effectiveness of SWGs. Furthermore, the PSDYE SWG lacks a well-resourced secretariat, limiting its capacity to engage across sectors.

Similar institutional coordination mechanisms have been established in the other countries, but stakeholders indicate that many are semi- or non-functional. For instance, Mozambique's Joint Sector Review and Agricultural Sector Coordination Committee (CCSA) and Tanzania's Agricultural Sector Working Group are sporadically convened or inactive. Zambia's Sector Advisory Groups (SAGs), CAADP Country Team and Agriculture Sector Working Group (AgSWG) have all been discontinued. Where such mechanisms have continued to function, coordination has focused largely on policy formulation, and less on policy or programme implementation or monitoring. Many coordination mechanisms also lack effective links to central planning and budgeting processes, and in some cases their functioning is said to be more of a procedural formality than a genuine opportunity for meaningful engagement on policy or programme planning and implementation.

One of the key challenges for coordination between the agriculture and trade sectors has been regularising participation of relevant officials from one ministry in the coordination mechanisms under the other ministry, especially at the technical level.

Based on stakeholder consultations, it was found that in Mozambique, relevant directorates from the Ministry of Agriculture and Food Security (MASA) have not consistently participated in the EIF National Steering Committee, while relevant directorates from the Ministry of Industry and Commerce (MIC) have not always been invited to meetings of the CCSA, the mechanism established to monitor NAIP implementation. Similarly, in Zambia, stakeholders suggested that relevant technical officials from MCTI have not always participated in NAIP-related mechanisms, such as the now-defunct AgSWG.[9] In Rwanda, the CAADP Coordinator does not participate in the National Trade Facilitation Committee or the sector working group relevant to trade, and the EIF technical counterpart does not participate in the

[9] However, the Ministry of Livestock and Fisheries, until recently part of the Ministry of Agriculture, is represented in the EIF Steering Committee.

Agriculture Sector Working Group. While such examples may be anecdotal, they highlight a common weakness of coordination mechanisms in regularising participation of all relevant technical officials. One consequence of this lack of participation is that direct links between CAADP and trade-related planning and coordination processes have not been effectively operationalised in these countries.

Furthermore, where it has occurred, cross-sectoral coordination has often taken place at a relatively high political level, such as that of cabinet members, and has not translated into effective cross-sectoral linkages at the technical level or between technical and high-level sector representatives, both of which are crucial for ensuring effective coordination of policy formulation and implementation. Examples include Mozambique's CCSA and Zambia's National Committee on Trade Facilitation (NCTF). In Zambia's case, the ministries of agriculture and trade both participate in the NCTF, but the discussions the Committee facilitates do not effectively link technical-level officials from the agriculture and trade ministries. In Rwanda, the planning departments of MINAGRI and MINICOM are meant to participate in the Sector Working Groups for both agriculture and private sector development, but do not regularly do so.

Linkages between NAIP and DTIS processes, and between national CAADP and EIF structures, in the four countries are weak, and could be strengthened as a way to promote greater alignment of agriculture and trade policymaking, strategic planning and programme implementation.

There is need in the four countries for strengthening linkages between the policymaking processes and coordination mechanisms in the agriculture sector and those in the trade sector. In particular, there is need to regularise consistent participation of ministry officials – especially technical officials – in cross-sectoral coordination mechanisms and processes. Given these needs, and the rationale for better aligning NAIP and DTIS priorities, one approach could be to strengthen linkages between NAIP and DTIS processes, and between national CAADP and EIF structures. An easy first step in this regard would be to ensure that the agriculture ministry's CAADP/NAIP focal point participates in all relevant DTIS-related processes and coordination mechanisms, while the trade ministry's EIF/DTIS focal point participates in all relevant NAIP-related processes and coordination mechanisms.

Ongoing projects and processes and newly-established or proposed structures provide entry points for facilitating or strengthening cross-sectoral coordination between ministries of agriculture and trade.

For example, Zambia's newly-launched 7th National Development Plan proposes the creation of Cluster Advisory Groups to replace the now-defunct Sector Advisory Groups and promote coordination between relevant ministries and stakeholders around policy planning, implementation and monitoring, while the country's Agriculture Trade and Marketing Bill proposes the creation of an Agriculture Marketing Agency to make agricultural market development and trade-related policy recommendations based on broad consultation. The transfer of the Cooperatives Department from the Ministry of Agriculture to MCTI also presents an opportunity for enhanced inter-ministerial collaboration in Zambia, especially at the local level. In Mozambique, the National Forum on Agricultural Commercialisation, held for the first time in 2017, provides a forum for bringing together high-level political leadership from agriculture and trade and could be used to improve coordination at the political level. The updating of Mozambique's National Export Strategy could also provide an important entry point for cross-sectoral coordination, especially given that it covers agricultural products and identifies the Ministry of Agriculture and Food Security as a lead implementing institution.

The establishment in all four countries of National Trade Facilitation Committees (NTFCs) to monitor implementation of the WTO Trade Facilitation Agreement provides yet another entry point for coordination, especially around certain specific issues relevant to agricultural trade, including compliance with SPS procedures,

and customs inspections and certification.[10] Finally, donor programmes such as the World Bank's Zambia Agribusiness and Trade Project, or the Market Infrastructure, Value Addition and Rural Finance (MIVARF) programme in Tanzania co-financed by the International Fund for Agricultural Development (IFAD), the African Development Bank (AfDB) and the Alliance for a Green Revolution in Africa (AGRA), also offer opportunities for promoting coordination across the agriculture and trade sectors in host countries.

Coordination between national and local government levels, and between government and the private sector

National agriculture and trade policy and strategy formulation processes could benefit from greater involvement of local government officials, private sector representatives and other non-state actors.

While agriculture and trade ministries in the four countries are generally meant to consult widely with relevant stakeholders when formulating policies and strategies, this does not always happen in practice. In some cases, consultation does not take place at all. For example, stakeholders pointed out that there was no national consultation process behind Mozambique's CAADP Compact – or is limited to central-level government officials, as in the case of Mozambique's NAIP. In other cases, consultations are organised too late in the policy formulation process, limiting the influence stakeholders can have on the design of strategies, policies and programmes. This situation is not helped by the fact that some of the mechanisms established to promote stakeholder consultation are now defunct (as noted above in relation to Zambia's Sector Advisory Groups). Even where multi-stakeholder policy dialogue forums continue to exist, though, participation in such fora by private sector and civil society representatives is limited. Local government officials are also generally not adequately involved in policy planning processes. In Tanzania, for instance, Local Government Authorities (LGAs) play a key role in the implementation of agriculture and trade programmes, but it is felt that information from LGA planning committees is not sufficiently integrated into the ministerial-level policy and programme formulation processes.

A more inclusive and consistent approach to multi-stakeholder consultation and policy dialogue would facilitate the formulation of more coherent policies, more effective programme implementation and a more predictable and transparent environment for agricultural trade.

Agriculture and trade policymakers should ensure that key stakeholders such as the private sector, including industry associations and representatives of the informal sector, local government authorities and relevant civil society organisations are sufficiently consulted during policy formulation and programme planning processes. This would allow policymakers to draw on the knowledge, experiences and demands of these different 'on the ground' stakeholders, and would also facilitate more effective communication of impending policy changes, such as in relation to trade restrictions, to the stakeholders, thereby enhancing policy transparency and predictability. Where appropriate, these stakeholders should also be included in relevant processes at the implementation stage.

Greater private sector participation in consultative processes could be achieved by providing financial, technical and capacity building support to apex private sector organisations, such as Rwanda's Private Sector Federation, to more effectively and consistently represent the interests and needs of private sector actors. National policymaking and programme planning should also draw on knowledge gained at the local level, and where possible, efforts should be made to ensure local government processes, such as Tanzania's LGA planning committees, inform national policymaking and implementation processes. Local government officials (and other stakeholders at the local and regional level) should also be included in policymaking processes, so as to increase ownership of the resulting policies, strategies and programmes.

[10] In Mozambique the EIF National Implementation Unit has begun carrying out activities within the framework of the country's NTFC.

SECTORAL BUDGETS AND DONOR SUPPORT[11]

Sectoral budget allocations and disbursement

Unsurprisingly, given the wide range of activities and services it covers, public spending on agriculture is much greater than public spending on trade-related policies and programmes in the four countries, but agriculture sector budget allocations are not always effectively disbursed.

The discrepancy in budget allocations between agriculture and trade is stark. In Rwanda, recent budget allocations for key agricultural policies totalled US$1.2 billion (over five years). By contrast, the allocations for the main trade and industry policies over the same period totalled US$300 million. In Zambia, the share of the budget allocated to the Ministry of Agriculture for NAIP implementation in 2017 (US$316.16 million) was almost six times the 2017 budget for the Ministry of Commerce, Trade and Industry (US$59.7 million).

That said, budget allocations for agricultural development programmes and projects are not always matched by actual disbursement of funds. In Tanzania, for example, shortly before the end of the 2015/16 financial year, less than a fifth of the annual agricultural development budget of the Ministry of Agriculture Livestock and Fisheries (MALF) had been disbursed.[12] This is notable given that a lack of funds has been cited as one of the reasons for weak implementation of the TAFSIP and ASDPII, along with a tendency by MALF to spread limited resources too thinly over a large number of priority areas, and because the non-functioning of CAADP-related coordination mechanisms such as the Agricultural Sector Working Group is blamed on inadequate financial commitment from the Tanzanian government.

In some cases, agriculture budgets are not fully aligned with NAIP objectives, and are instead dominated by a small number of programmes, typically involving input subsidies or market price support for a narrow range of commodities, limiting the resources available for addressing trade- and market-related constraints in the agriculture sector.

For example, the disbursement of funds for NAIP-related interventions in Zambia is affected by the Zambian government's prioritisation of two prominent initiatives, the Farm Input Subsidy Programme (FISP) and the Food Reserve Agency (FRA), which together account for over half of government spending on agriculture. Expenditure on FISP and FRA has consistently met or exceeded targets, while other sector programmes have not always received full allocations. In 2016, for instance, the national agriculture budget was less than half the indicative budget for NAIP implementation that year.

Donor coordination

Development partners continue to play an important role in the agriculture and trade sectors in the four countries, but there is room for improvement with regard to donor coordination within and between these sectors.

The implementation of projects and programmes in the agriculture and trade sectors in the four countries is heavily reliant on donor support, giving development partners a significant degree of influence in these sectors. For example, more than half of the Zambian Ministry of Commerce Trade and Industry's budget in 2017 was accounted for by contributions from development partners to two key projects: The World Bank Agribusiness and Trade project and the Entrepreneurship Development project of the African Development Bank. Conversely, in Tanzania, implementation of the Trade Sector Development Programme has been held up by the lack of donor support for the basket funding mechanism set up to align and coordinate support to the Programme. In the four countries, coordination between development partners typically takes place

[11] The Phase 1 country studies did not include a comprehensive assessment of budgets and donor support, but instead provided a general overview, which is synthesized in this section.

[12] Similarly, in Mozambique, only 12.5% of the planned NAIP budget had been disbursed through the first three years of its five year implementation period.

through sectoral working groups, but the degree to which these groups are active and effective differs across the countries and between sectors. In Tanzania and Mozambique, weak donor coordination, coupled with a lack of effective internal systems for monitoring donor support, has reportedly led to duplication of interventions.

POLICY INTERVENTION AREAS JOINTLY PRIORITISED BY AGRICULTURE AND TRADE SECTOR STAKEHOLDERS

Subsections 2.1 and 2.2 described the agriculture and trade policy frameworks in the four countries and the state of sectoral and cross-sectoral coordination efforts in the countries, identifying a need for greater alignment of policy priorities between the two sectors and for enhanced cross-sectoral coordination. This subsection highlights three policy areas identified by the country studies and stakeholder consultations as being among the key priorities for both the agriculture and trade sectors, and which are therefore prime candidates for promoting cross-sectoral coordination in relation to policy planning and implementation. Focusing sectoral resources on these priority issues could facilitate the implementation of mutually reinforcing interventions in the agriculture and trade sectors, thereby improving policy effectiveness in these sectors.

Improving national systems for the collection, management and dissemination of agricultural production, marketing and trade data

Limited availability of timely, credible and consistent data on agricultural production, prices, stocks, marketing and trade hampers evidence-based decision making by both public and private sector actors in the four countries, contributing to a lack of transparency and predictability in the policy environment for agricultural trade.

In Mozambique, for instance, data produced by the National Institute of Statistics are highly aggregated and updated only on an annual basis, and gaps in available agricultural marketing and trade data have created a reliance on publicly available international data sources. Similar gaps hamper effective policymaking in Tanzania. Furthermore, in both countries, the data produced and used by ministries of agriculture and trade are not always consistent with one another, complicating cross-sectoral policy and strategy coordination and joint planning. In Zambia, meanwhile, data on public stockholdings are considered unreliable and are a source of mistrust between the private and public sector, especially given the recurrent and controversial use by the government of trade bans on sensitive products, notably maize, which creates an unpredictable policy environment and disrupts investment decisions by agribusinesses.

The four countries have prioritised efforts to improve the reliability and consistency of agricultural production, marketing and trade data collection – including data on production volumes, prices and stocks – and have also prioritised efforts to better manage and disseminate the data among stakeholders, and to improve capacities for data analysis to support evidence-based policy decisions, presenting an opportunity for initiating targeted cross-sectoral programmes in this area.

Reliable and up-to-date data on, for example, production volumes are considered crucial for formulating and implementing appropriate and effective policy measures for agricultural marketing and trade. In this regard, the four countries' ministries of agriculture need to improve their internal capacity for production estimates in order to support policymaking for agricultural marketing and trade. This could involve, among other things, increased training on data collection and management. Agriculture and trade ministries also need to coordinate with one another, and with national statistics authorities, to ensure that data collection is harmonised across the ministries, thereby avoiding the use of inconsistent data for policymaking. Where possible efforts should also be made to streamline data collection, management and dissemination to avoid unnecessary duplication of efforts. Improving collection of data on informal cross-border trade, much of which

is in agricultural products, is also much needed. In this regard, the countries should explore the possibility of supporting and building on the COMESA Informal Cross Border Trade Monitoring Mechanism.

Strengthening the farm-to-market segment of priority agricultural value chains

Greater and more coordinated investment and policy attention is needed in the farm-to-market segment of agricultural value chains in the four countries, particularly in relation to priority agricultural value chains.

While the commercialisation of agriculture and development of agricultural value chains are policy priorities in all four countries, in practice their ministries of agriculture focus sectoral activities on efforts to boost production and productivity at the farm level for a narrow range of commodities, while their trade ministries focus largely on external trade issues. As a result, many activities and institutions that are crucial for strengthening the farm-to-market part of agricultural value chains, but which don't fall neatly within the mandates of either agriculture or trade ministries and/or which don't pertain directly to increasing agricultural exports, such as aggregation, distribution, infrastructure and market information and commodity exchange systems, receive ad-hoc programmatic support and attention.

Targeted collaboration between agriculture and trade ministries and other relevant stakeholders to address bottlenecks in this 'missing middle' part of agricultural value chains and to create a more conducive policy environment for – and promote investment into – farm-to-market activities and institutions, would facilitate stronger market linkages between producers, traders and domestic and export markets, and support the development of more efficient, inclusive and sustainable agricultural value chains.

Focusing such cross-sectoral collaboration on priority value chains, would help generate improved understanding of potentially conflicting policy objectives (e.g. promoting a particular crop for processing or export versus promoting it for food security), facilitate joint identification of specific trade-related needs and corresponding investments for value chain development and allow for greater alignment and streamlining of policy interventions and incentives along specific value chains, thereby addressing the risk of redundant or competing initiatives or incentive schemes. Such focused cross-sectoral collaboration and coordination could also lead to mutually supportive initiatives, such as efforts to promote internal quality and aggregation challenges for both domestic and international marketing. It would, however, require coordination around implementation and monitoring, and not just at the policy formulation stage. It would also require greater involvement of local government and other relevant stakeholders, especially from the private sector.

Focusing cross-sectoral collaboration on a small number of jointly-prioritised value chains would also address the fragmentation of agricultural value chain interventions in the four countries. Currently numerous value chain interventions are underway in the four countries, but because these target different value chains, interventions supporting production and productivity do not necessarily support interventions to promote trade capacity, and vice versa. Greater focus and coordination of value chain interventions can help to ensure that these interventions become more mutually supporting and can thereby also facilitate the critical mass of investment needed to develop entire value chains and transform the agriculture sector.

Improving national capacities and coordination structures for the effective application of SPS and trade facilitation measures

Improved capacities and more effective cross-sectoral coordination are needed at the national level to ensure that the application of SPS measures and other customs and administrative procedures do not constitute unnecessary bottlenecks to trade, while mutual recognition and/or harmonisation of standards at the regional level and regional trade facilitation mechanisms are needed to facilitate smallholders' access to regional and international markets.

The ability of producers and traders to comply with quality standards, and demonstrate this compliance, is critical for facilitating formal agricultural trade. This is explicitly recognised by the agriculture and/or trade policy frameworks of the four countries, which prioritise, among other things, efforts to promote greater compliance with quality and sanitary and phytosanitary (SPS) standards, better functioning systems of certification and harmonisation of agriculture commodity standards at the regional level. Despite such recognition, however, a number of constraints relating to standards and certification persist in the four countries. These include overly bureaucratic systems for SPS certification, inadequate communication of relevant regulations to private sector actors and insufficient knowledge among smallholders and small-scale traders in relation to standards and certification requirements, as well as limited capacity among these actors to meet these requirements. In addition, in many instances, other customs and trade related requirements and provisions of regional mechanisms for trade facilitation are also poorly understood.

A key underlying issue is that in-country coordination between the various agencies, including border agencies, responsible for the different aspects of national standards and certification systems relevant for agricultural trade is suboptimal, and is often complicated by the fact that these agencies operate under different ministries, including ministries of agriculture, trade, environment and health, among others. Ministries of agriculture and trade (and other relevant ministries) and their respective agencies responsible for standards should, where possible, use existing mechanisms, such as national trade facilitation committees and their SPS sub-committees, to focus coordination efforts on improving compliance with and strengthening enforcement of quality and SPS standards in their domestic markets.

Specific areas of collaboration could include: identifying critical gaps in national standards infrastructure and systems (for instance in relation to laboratories or testing facilities) and promoting public and private investment to address these gaps; collaborating with other partners to support efforts to build the capacity of private sector actors, including input dealers, smallholder farmers and small-scale cross-border traders in relation to SPS standards and certification; and establishing information desks or single windows for the dissemination of information relating to, among other things, quality and SPS standards, trade requirements, and provisions of any regional mechanisms. In addition, cross-sectoral efforts could also serve as a basis for promoting harmonisation of standards at the regional level or the conclusion of mutual recognition agreements with neighbouring countries. To the extent possible, such cross-sectoral coordination should be inclusive, and should involve representation from the private sector, notably from representatives of smallholder farmers and small-scale traders.

Recommendations

The findings of the country studies and key messages presented above suggest a number of activities and avenues through which development partners and other relevant stakeholders could support or encourage more effective coordination of agriculture and trade policymaking in the four countries (and other African LDCs), promote improved coherence between national agriculture and trade policies and facilitate more conducive national policy environments for agricultural transformation. Below are a few recommendations to this effect.

Encourage a more consistent approach to mainstreaming trade and marketing issues into agriculture policy planning and implementation processes and structures. Given the relative weight of the agriculture sector vis-à-vis the trade sector in the four countries, the sector's broader mandate and the greater share of public funds allocated to agriculture ministries in the countries, integrating trade issues into agriculture policymaking institutions and processes could be an effective way to ensure the prioritisation of agricultural trade-related interventions. One possible way to mainstream trade into agriculture policymaking could be to use agriculture-related interventions identified in DTIS Action Matrices and other relevant trade policy instruments to develop dedicated NAIP chapters on trade and trade-related issues. Such an approach could also help to align NAIPs and DTIS Action Matrices and would allow countries to draw on the technical expertise of EIF members and on the resources provided by EIF donors. In this way a country's DTIS Action Matrix could also serve as a resource mobilisation tool for a section of its NAIP.

Support more effective cross-sectoral coordination, with stronger links to annual planning and budgeting processes and an explicit role in programme implementation. The importance of cross-sectoral coordination is widely acknowledged in the four countries, as evidenced by the number of institutional coordination mechanisms established in the countries. Efforts are needed, however, to ensure that these mechanisms are more sustainable, that they generate stronger linkages between relevant technical level-officials in the agriculture and trade sectors, and that they play a more significant role in relation to annual planning and budgeting and, importantly, programme implementation. Such efforts could be supported by the mainstreaming of trade-related policy priorities into agriculture policymaking (and possibly vice versa) through identifying specific targets for policymakers that might stimulate greater commitment among technical officials to work with their counterparts in the trade sector to achieve these priority objectives. Where possible coordination should also be targeted on specific key bottlenecks to agricultural transformation and commercialisation and should include all phases from policy planning, budgeting and policymaking through implementation and – ideally – monitoring and evaluation.

Encourage efforts to promote more consistent and inclusive consultation by national agriculture and trade policymakers with local government officials, the private sector and other non-state actors to inform national policy planning and implementation. Policymakers in both agriculture and trade should be encouraged to make a greater commitment to multi-stakeholder engagement to inform policy planning and implementation for agriculture and trade. Where possible such engagement should occur early enough in the policy planning stage so as to allow stakeholder input to inform policymaking. Ideally it should also take place around policy and programme implementation. Mechanisms such as national multi-stakeholder platforms – including those focusing on priority value chains – could provide ideal structures around which

to coordinate such engagement. In addition, capacity building for certain types of actors (e.g. smallholder farmers, farmers' organisations, small-scale traders' associations, representatives of informal firms, etc.) could also be useful in improving their ability to engage effectively in policy consultation processes and structures.

Support specific initiatives in the three intervention areas identified as priorities by both agriculture and trade stakeholders in the four countries, namely: 1) Improving national systems for the collection, management and dissemination of agricultural production, marketing and trade data; 2) strengthening the farm-to-market segment of priority agricultural value chains; and 3) improving national capacities and coordination structures for the effective application of SPS and trade facilitation measures. These areas provide obvious entry points for stimulating collaboration between stakeholders from both sectors. Particular activities that could be supported for strengthening priority agricultural value chains include multi-sectoral workshops for joint prioritisation of value chains and related interventions (so as to avoid conflicts between commercialisation and, for example, food security objectives), and value-chain/sector-specific analytical studies (including consultations with private sector, local-level government officials) that provide specific recommendations to inform both agriculture and trade policy planning and implementation frameworks. Efforts to strengthen the farm-to-market segment of priority value chains could also benefit from the establishment or strengthening of national multi-stakeholder value chain platforms to promote engagement on key bottlenecks hampering the development of the value chain. Such platforms could also be used to rationalise donor support to agricultural value chains, ensure different interventions along value chains are mutually supporting and link to regional policy processes and the establishment of regional multi-stakeholder value chain platforms. Particular activities that could improve national SPS capacity include capacity building for both public (e.g. regulators) and private actors (e.g. farmers, co-operatives) to improve knowledge of and compliance with quality and SPS standards, and initiatives to promote better inter-agency cooperation around SPS and trade facilitation, both at the national and regional levels.

Where appropriate, support the strengthening of relevant technical capacity on agricultural trade and marketing where it is lacking. Capacity building efforts could focus on improving trade- and marketing-related technical capacity within agriculture ministries, and also, where relevant, in private sector associations and farmers' organisations. Capacity building efforts could also focus on providing the knowledge required to better and more equitably organise and structure relations between actors in priority agricultural value chains, and to enhance the ability of these private actors to engage with public authorities on agricultural marketing and trade issues and in national (and regional and international) policy processes. Efforts to promote food systems thinking among policymakers in both the agriculture and trade sectors could also contribute to more coherent policies for agricultural marketing and trade. Ideally all capacity building support should be delivered in the context of structures, processes or activities that require and make use of these capacities, so as to ensure effective uptake.

Support efforts to facilitate cross-country learning and knowledge exchange on relevant issues in agricultural trade. This could be done through the development and/or strengthening of regional platforms and networks, which could serve as conduits for sharing insights on challenges and achievements with regard to, for example, promoting cross-sectoral coordination (e.g. learning from Rwanda's experience with Sector Working Groups), the design and implementation of particular policies to support agricultural commercialisation and trade and emerging and priority issues in the region relevant to agricultural trade (e.g. relating to quality and SPS standards). The fact that CAADP/

NAIP and certain trade-related structures and processes, including those pertaining to the EIF/DTIS, are common to most African LDCs allows for these countries to share and benefit from each other's experiences with these structures and processes.

Better coordinate Aid for Trade, and other forms of donor and development partner support, to avoid reinforcing divisions between national agriculture and trade policymaking processes. As noted above, donor support to agriculture and trade has been perceived in some cases to reinforce divisions between policymakers in these two sectors. To address this, new modalities for supporting agriculture and trade objectives in a more policy coherent way could be explored. This in turn would likely require development partners to ensure better coordination between their support to agriculture and to trade as well as better coordination between one another in these two sectors, and on cross-sectoral initiatives.

Finally, ensure that all forms of support are based on a good understanding of public and private challenges in agriculture and trade in the recipient countries as well as a good understanding of the political economy of agriculture and trade policymaking in the countries. Without such understanding, support to interventions to promote better coordination or enhanced policy coherence could end up wasting resources on 'best practice' formal structures and processes that do not work because they conflict with local interests, incentives or practices. For example, improving the collection, management and dissemination of agricultural data may provide the basis for more effective evidence-based policymaking, but it may not always lead to more coherent policymaking and more effective policy implementation. This is because in certain cases policy decisions may be based on narrow political considerations that are not supported by the 'evidence'. In such cases policymakers may have no interest in making better use of data. Similarly building the technical trade knowledge and capacity of agriculture officials will only yield benefits where officials have an incentive to use such enhanced knowledge and capacity. In order to be effective, new initiatives to improve cross-sectoral coordination and promote more coherent policies therefore need to take into account the interests and incentives of key stakeholders, and to adapt their activities and interventions accordingly.

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Agricultural transformation is crucial for the economic development prospects of Africa's least developed countries (LDCs), and for improving their domestic food security. However, in many African LDCs, national agriculture and trade policies are not optimally aligned to support agricultural transformation. This lack of alignment, or 'policy incoherence', arises in part from the fact that agriculture and trade policies are formulated through separate policymaking processes, with insufficient coordination between them. Development partners may also have exacerbated this sectoral divide through the way they have supported sectoral processes.

Existing agriculture and trade policymaking processes and related coordination mechanisms in African LDCs provide entry points for improving stakeholder coordination and policy coherence for agricultural transformation. One such example is the development of National Agricultural Investment Plans (NAIPs) under the framework of the Comprehensive Africa Agriculture Development Programme (CAADP). Using NAIPs for this purpose would fit the 2014 Malabo Declaration's increased focus on agricultural trade, as well as its call for African governments to pursue improved policy coherence for agricultural transformation.

In this context, the Food and Agriculture Organization (FAO) of the United Nations, in collaboration with the European Centre for Development Policy Management (ECDPM), implemented a Multipartner Programme Support Mechanism (FMM) Project on *Trade related capacity development for food security and nutrition in Eastern and Southern Africa (ESA)* to contribute to greater coherence between agriculture and trade-related policies and programmes in four African LDCs – Mozambique, Rwanda, Tanzania and Zambia – and at the regional level in Eastern and Southern Africa.

This Report presents the main findings of studies conducted in the above countries under the FMM Project to assess the alignment of agriculture and trade policies and the state of coordination between agriculture and trade policymaking processes. Based on these findings, the Report presents recommendations for development partners and other actors seeking to support improved policy coherence for agricultural transformation in African LDCs.

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