



ECA POLICY BRIEF

Maputo Protocol commitment and improvements in the rural sector¹

Meeting the Maputo Protocol target for agricultural expenditure

In Maputo in 2003, the Assembly of the African Union resolved to implement the Comprehensive Africa Agriculture Development Programme and committed themselves to allocating at least 10 per cent of national budgetary resources to agricultural and rural development.² This target has since become a benchmark for measuring whether African Governments are sufficiently dedicated to improving their agriculture. The Programme of Action for the Least Developed Countries for the Decade 2011–2020 (A/CONF.219/3/Rev.1) also included the target as important for national food security and agricultural development. The target was also made a part of the African Union's Agenda 2063.

The actual achievement of the 10 per cent target has been patchy. Some African countries have achieved the target some of the time, but very few countries have managed to consistently reach this level of funding. Have

¹ The policy brief was prepared under the overall guidance and support of the Director of the Macroeconomic Policy Division of the Economic Commission for Africa. It was coordinated by Bartholomew Armah, Chief of the Renewal of Planning Section of the Macroeconomic Policy Division, with substantive input by Ben McCarthy.

² See African Union, Assembly/AU/Decl. 7 (II), 2003.

the countries that are meeting the 10 per cent target seen improvement in their agricultural indicators? This policy brief contains a brief analysis of the progress in agriculture that more consistent achievers of the Maputo Protocol target have made and provides a comparison of it with their African peers.

Progress towards achieving the targets of the Sustainable Development Goals and Agenda 2063

Recent reporting on the targets of the Sustainable Development Goals and Agenda 2063 shows mixed performance for African countries on agricultural indicators.³ While improvements in agricultural productivity have been occurring, the continent still lags behind the world average. Many African countries continue to rely on rain-fed agriculture, while other regions have been successfully increasing the amount of irrigated land, thus enhancing their resilience to poor weather conditions.⁴

Countries meeting the Maputo target most consistently

For the purposes of this brief, countries are deemed to be meeting the Maputo Protocol target if they have achieved a greater than 10 per cent allocation of national budgetary expenditure to agriculture and rural development in a minimum of five years between 2003

³ See African Union, Economic Commission for Africa, African Development Bank and United Nations Development Programme, *2017 Africa Sustainable Development Report: Tracking Progress on Agenda 2063 and the Sustainable Development Goals* (Addis Ababa, 2017).

⁴ For more discussion of how the continent is faring against the many targets of the Sustainable Development Goals and Agenda 2063, see the *2017 Africa Sustainable Development Report: Tracking Progress on Agenda 2063 and the Sustainable Development Goals*.

and 2015. Under this criterion, Burkina Faso, Ethiopia, Madagascar, Malawi, Mali and the Niger are considered to be most consistently meeting the target.⁵

Ethiopia and Malawi allocated 10 per cent or more of their national budget to agricultural expenditure in 10 of the 13 years considered. Most African countries, however, do not meet the 10 per cent of expenditure target in any year in the sample. Only 13 countries met the target in any year between 2003 and 2015.

What do economic indicators reveal about countries meeting the Maputo Protocol target?

Agricultural value added per worker

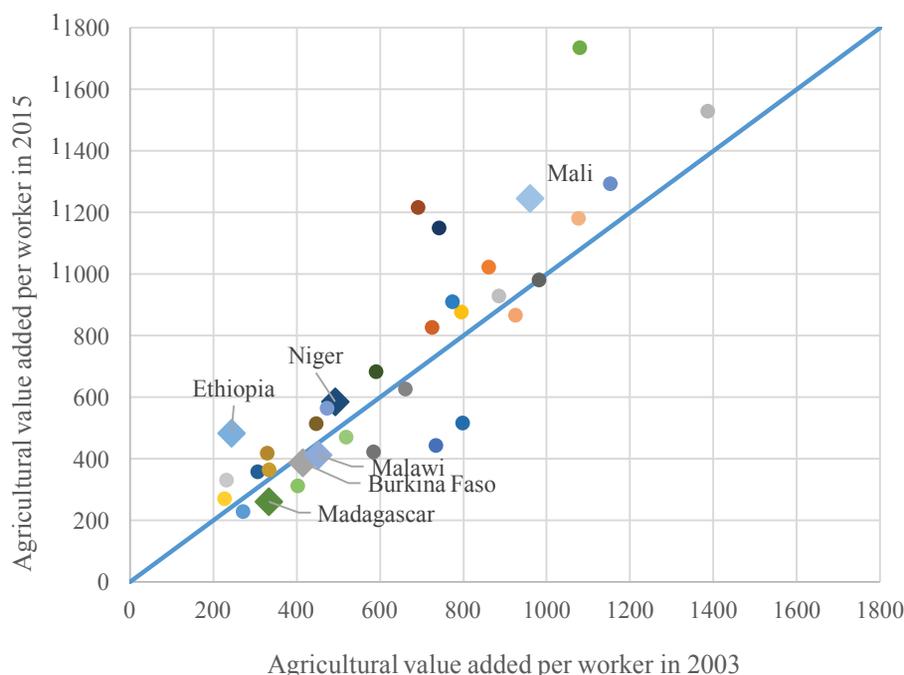
Improving agricultural value added per worker is one important way in which countries can scale up their agricultural output. On this key measure of productivity, results from among those countries meeting the Maputo Protocol target is mixed. The figure below shows agricultural value added per worker in 2015 on the vertical axis, and agricultural value added per worker in 2003

on the horizontal axis, such that all countries that have higher productivity in 2015 than in 2003 appear above the 45-degree line. While Ethiopia, Mali and the Niger reported greater agricultural value added per worker in 2015 compared with 2003, Burkina Faso, Madagascar and Malawi reported lower value added per worker. Throughout all African countries discussed in this brief, progress is mixed. Most countries showed improvement between 2003 and 2015, but a number of countries also went backwards. The results of countries that are meeting the Maputo Protocol target does not clearly differentiate them from those countries that are not.

Rural poverty headcount ratio

The World Bank's rural poverty headcount ratio is the percentage of people living in rural areas who subsist below the nationally defined poverty line. Ideally, meeting the Maputo Protocol target would cause a reduction in rural poverty over time, but the limited data available do not clearly show this. In 2003, Burkina Faso's rural poverty headcount ratio was 65.8 per cent, which fell to 52.8 per cent in 2009 and 47.5 per cent in 2014. Although between 2003 and 2016 there were only two

Figure: Agricultural value added per worker in African countries in 2015 and 2003



Source: World Bank 2017 world development indicators.

Note: Angola, Djibouti, Chad, Cote d'Ivoire, Eritrea, Libya, Somalia and South Sudan are not included owing to missing data. Comoros, Equatorial Guinea, Ghana, Guinea-Bissau, the Niger and Seychelles show the closest available year where either 2015 or 2003 is missing. Higher-productivity countries (above \$2,000 per worker) not shown for reasons of legibility.

⁵ See the Regional Strategic Analysis and Knowledge Support System of the International Food Policy Research Institute. Available at www.resakss.org/.

data points reported for Ethiopia, they showed a drop in rural poverty from 39.3 per cent in 2004 to 30.4 per cent in 2010. In Mali, rural poverty fell from 57.0 per cent in 2006 to 50.6 per cent in 2009. Madagascar and Malawi actually showed slight increases in rural poverty over time. Looking at other countries that report two or more data points in this area, nine countries⁶ appear to be making some progress over time, given that their values of reported rural poverty decreased by greater than 2 per cent. On the other hand, seven countries⁷ are making negligible or no progress.

Irrigated land

Irrigation allows, to some extent, for the productivity of the land to diverge from the natural cycle of rainfall. While irrigated agriculture accounts for 20 per cent of cultivated land in the world, it produces 40 per cent of total food.⁸ Africa (excluding North Africa) is the region of the world with the least irrigated land. Regional-level statistics on irrigation show that Africa lags behind other regions, but little country-specific data are available for Africa in the indicators on irrigated land of the Food and Agriculture Organization of the United Nations. The AQUASTAT database shows that Ethiopia's performance has been outstanding in terms of the increase in total irrigated land area. In 2006, it had 197,200 ha of irrigated agricultural land. In 2010, that figure increased to 687,400 ha and, in 2015, to 858,300 ha. In 2005, the Niger's total irrigated land area was 73,700 ha, and in 2011 it was 99,900 ha. Although the sparseness of the data does not support strong conclusions, for comparison

purposes the United Republic of Tanzania, which has not met the Maputo Protocol target for agricultural expenditure in any year, also increased its total irrigated land area over time. The increase was from 273,900 ha in 2007 to 345,700 ha in 2011 and 363,500 ha in 2013.

Conclusion

Targets set by international agreements can often be particularly blunt; that is, the target may be set with regard to a headline measure that does not accurately capture the actual parameters of interest that have the greatest effect on well-being. By considering the performance of countries that have been meeting the Maputo Protocol target against various indicators of agricultural productivity and rural development, it appears as though countries successfully reaching the target are not outperforming those that are not (see table below).

This does not come as a surprise. It means only that improving agricultural and rural development outcomes in a country are affected more by policies with a finer degree of detail than simply reaching a headline rate of expenditure on agriculture. Public investment in agriculture is one important factor in improving agricultural, rural and nutrition outcomes. Even so, it is far more important for countries to pay close attention to the structure of their policies and specific investment rather than just reaching an arbitrary percentage of national expenditure on agriculture.

Table: Performance of countries reaching the Maputo Protocol target and peer group comparison

Indicator	Burkina Faso	Ethiopia	Madagascar	Malawi	Mali	Niger	Rest of Africa
Agricultural value added per worker	Weak	Strong	Weak	Weak	Strong	Strong	Mixed; more positive than negative
Rural poverty headcount ratio	Strong	Strong	Weak	Weak	Strong	Insufficient data	Mixed
Irrigated land	Insufficient data	Strong	Insufficient data	Insufficient data	Insufficient data	Strong	Insufficient data

⁶ Côte d'Ivoire, Ghana, Namibia, Nigeria, Rwanda, Sierra Leone, Togo, Uganda and South Africa.

⁷ Benin, Cameroon, Congo, Egypt, Guinea, Mauritania and Senegal.

⁸ See AQUASTAT website of the Food and Agriculture Organization of the United Nations. Available at www.fao.org/nr/water/aquastat/didyouknow/index3.stm. Accessed on 23 August 2017.

Accordingly, some areas requiring continued focus for African countries are the following:

- Investment in irrigation and water management. Africa remains the region of the world with the lowest utilization of irrigation and with much untapped potential. Improved irrigation has the potential to improve agricultural productivity and increase African countries' resilience;
- Investment in region-specific technology to boost agricultural productivity. The diversity of the African continent means that the best

technology to utilize for a specific region may be inappropriate for another. Adapting the most relevant technologies for local conditions will be an ongoing focus for both African countries and their international development partners;

- Improving the availability of agricultural data will assist policymakers and development practitioners. Data for various economic and social indicators can be patchy in Africa, and this means that policy is often developed under low-information conditions.