



RÉPUBLIQUE DU SÉNÉGAL
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NPCA

ECOWAP/CAADP Process



**Business Meeting on the financing of National
and Regional Investment Plans
Dakar (Senegal), 14–17 June 2010**

**Regional Investment Plan for the implementation
of the mobilizing programs (summary)**

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Introduction

- 1 Agriculture, livestock and fisheries are crucial, if not central, to West African economies. They contribute over 35% to Gross Regional Product and over 15% to export earnings; these sectors generate income for more than 60% of the working population, and cover more than 80% of food requirements. They contribute to land development, natural resource and environmental management.
- 2 The food crisis caused by soaring prices of food products worldwide in 2007-08 were an abrupt reminder to the region and international community of the urgent need to make major reforms to transform agriculture and meet the challenge of poverty reduction and food security.
- 3 The region has 290 million inhabitants. This population is expected to double within 20 years; urbanization is taking place at a fast pace. West Africa has the natural resources (arable land, water, grazing lands) and human resources to meet this demand. But it must overcome two major challenges: (i) modernize agriculture to meet growing demands, and (ii) provide opportunities to the majority of farmers, to avoid a mass exodus to cities ill-equipped to absorb this labor force.
- 4 Adopted by the Heads of State and Government of ECOWAS in January 2005, the regional agricultural policy —ECOWAP/CAADP— has quickly emerged as the most appropriate framework to launch modernization efforts, in view of achieving food sovereignty and food security in the region.
- 5 At the Abuja Conference on financing regional agricultural policy in West Africa (November 2009), stakeholders —ECOWAS Commission, Member States, the African Union, producers’ organizations, the private sector, civil society and technical and financial partners— adopted the Regional Partnership Compact. The Compact recalls the underlying tenets of the agricultural policy, its vision and priorities. It recognizes ECOWAP as the primary framework for programming actions in the agricultural sector and coordinating international aid.
- 6 The Compact states that the policy’s implementation at the regional level is to be achieved through three mobilizing programs reflecting the region’s priorities: (i) promote strategic products for food sovereignty, (ii) promote an overall enabling environment for regional agricultural development and (iii) reduce food insecurity and promote sustainable access to food.
- 7 The Regional Investment Plan is designed to implement the mobilizing programs, and constitutes the regional agricultural development program for 2011-2015. It was developed in line with the prerogatives of ECOWAS, the regional institution for economic and political integration. It reflects the regional dimensions of agricultural policies and programs of the 15 Member States.
- 8 This document provides a detailed summary of the Regional Plan. It offers an overview of the Plan; for a more in-depth understanding of the regional strategy, it is necessary to consult the Regional Investment Plan in its entirety.

1 Origins of the Regional Investment Plan

- 9 Making ECOWAP/CAADP operational relies on the implementation of two categories of complementary programs: the National Investment Programs (NAIPs) and a Regional Investment Plan for the implementation of the mobilizing programs at the regional level. The NAIPs represent the visions, ambitions and priorities of the countries. As such, they provide the reference framework for programming actions in the agricultural sector and the coordination framework for international aid at the national level.
- 10 At the regional level, the ECOWAP/CAADP mobilizing programs combine investments and public policy reforms (instruments and measures). They complement the NAIPs, assume responsibility for the regional aspects, manage the interdependencies between the countries and organize their cooperation on common issues.
- 11 The Regional Investment Plan for the implementation of the ECOWAP mobilizing programs is designed in accordance with the desire of the ECOWAS Commission to accelerate the implementation of the regional agricultural policy. It corresponds to a selection of strategic priorities facilitating a simultaneous response to the emergency created by the new international and regional context and to undertake structural reforms opening the way to a far-reaching transformation of agriculture in West Africa.
- 12 By establishing this hierarchy of priorities, the ECOWAS Commission wishes to promote West African leadership in defining, coordinating and implementing policies and programs corresponding to the orientations defined by the Heads of State and Government following a comprehensive process of dialogue and negotiation with the operators in the sectors of agriculture and food security. It also wishes to present the member states and the international community with realistic programs which are in phase with the implementation capacities at a cost which is acceptable to the different contributors, both domestic and foreign.

2 Areas covered by the Regional Investment Plan

- 13 The Regional Investment Plan for the implementation of the mobilizing programs focuses on a limited number of key questions which are essential in stimulating and conducting a decisive and massive transformation of the West African agricultural sector.
- 14 It aims to find answers to the main obstacles to agricultural growth and food security, by addressing, simultaneously challenges associated with rapid and sustainable growth of food products, commercialization (organizing value chains, market regulations), the overall business environment of the agricultural sector, management of shared natural resources and, finally, challenges to food and nutritional security of vulnerable populations.
- 15 It is designed with a view to obtaining significant short- and medium-term results. It must be possible to measure these results once this first generation of programs draws to a close in 2014.
- 16 While adhering to the three areas of intervention and the six components of ECOWAP/CAADP as well as to the four pillars of the NEPAD, this plan aims to coordinate the short-term investments correctly as an emergency response as well as the structuring medium- and long-term interventions.
- 17 It also attempts to pursue the efforts agreed within the framework of the emergency programs supported by the special measures introduced by the development partners with a view to obtain sustainable results in terms of agricultural development and food security. It provides a sustainable basis for the construction of institutional measures and the provision of those services essential to agriculture with a view to securing the conditions of production and trade.
- 18 It requires priority investment from ECOWAS as it combines three major characteristics:
 - The need for coordination between the different departments within the ECOWAS Commission (agriculture, environment and water resources; macroeconomics; trade/customers; infrastructures; humanitarian affairs; etc.);
 - The need for high-level political dialogue with the member states of ECOWAS concerning the convergence public policies;
 - The involvement, in its definition and implementation, of (i) regulatory instruments (which cannot be delegated to other institutions), and (ii) projects with a regional remit.
- 19 It respects the principle of subsidiarity between the different levels of public action. It therefore contributes to a gradual clarification of governance and to the affirmation of the particular modalities for implementing the ECOWAP/CAADP, founded on:
 - Permanent dialogue with the operators in the agricultural sector, in particular the producer organizations;

- Taking advantage of the competences and know-how of the specialist technical institutions in implementing the investment programs;
 - Leadership clearly exercised by the ECOWAS Commission and the other entities (Summit, Council, Parliament, Court of Justice) with regard to establishing the general political orientation and the regional compromises. More precisely, this leadership concerns the fields of regional sovereignty or authority, which involve public policy reforms;
 - The regional level focusing on three main categories of intervention: i) management of the interdependences between the countries; ii) cooperation on the problems common to several countries where the regional level allows significant economies of scale to be achieved; and iii) management of the regions' external relations.
- 20 The federating nature of the plan can be seen on three levels:
- It federates the national and regional priorities in a common vision: the NAIPs include priority programs incorporating regional dimensions which exceed the prerogatives of national institutions and which fall under the auspices of the Regional Investment Plan;
 - It federates and intermeshes the approach by investments and the approach by public policy instruments (regulations, incentives, etc.);
 - It federates around key common questions the approaches developed in the different RAIP sub-programs: (i) Improved water management; (ii) Improved management of other shared natural resources; (iii) The sustainable development of farms; (iv) The development of the agricultural value chains and the promotion of the markets; (v) The prevention and management of food crises and other natural disasters; (vi) Institutional strengthening.
- 21 The construction of the Regional Investment Plan drew heavily on the actions identified in the framework of these sub-programs and processes, and programs already underway in the region. While the financial needs assessment for the six components of the RAIP reached over 10 billion dollars, the Regional Investment Plan's focus on a set of regional priorities allows for a more coherent set of activities, compatible with available resources and the institutional and human capacities available for the first years of implementation.
- 22 With regard to the issue of information, seen as an essential priority, the AGRIS program as a whole is incorporated in the component of the plan focusing on improving the global environment of the agricultural sector. This can also be justified with the regard to the management and monitoring-evaluation needs of the policy and the programs requiring considerable improvement in data production and processing at both national and regional level. AGRIS also federates all the "information" dimensions handled individually in each of the RAIP components.

3 Regional plan description

3.1 General and specific objectives

- 23 The general aim of the Regional Investment Plan for the implementation of the mobilizing programs is to “modernize agriculture in view of food sovereignty and food security from a regional integration perspective”.
- 24 The objective is to speed up economic growth in order to reduce poverty, contribute to a better distribution of wealth and ensure preservation of natural resources and the environment.
- 25 It is built around three specific objectives: (i) the promotion of strategic products conducive to food sovereignty, (ii) the promotion of a global environment conducive to regional agricultural development and (iii) the reduction of vulnerability and the promotion of the population’s sustainable access to food.

3.2 Summary description

3.2.1 *The promotion of strategic products conducive to food sovereignty*

- 26 Achieving regional food sovereignty requires priority work on products which (i) enjoy a high production potential, (ii) correspond to the changing food habit of the populations and (iii) demonstrate a high level of extra-regional imports which can be replaced by enhancing the complementarities of the production basins and promoting regional trade.
- 27 All food products (millet/sorghum, maize and rice, roots and tubers, fruit and vegetables, animal products, etc.) contribute to food sovereignty. Nevertheless, from the standpoint of the three criteria mentioned above, priority is given to the strategic food value chains: rice/maize/cassava, livestock/meat and their by-products and halieutic products.
- 28 The concern underlying this first specific objective is to accompany all the regional development initiative and strategies with regard to the agribusiness value chains in order to improve the incomes of the rural populations, reduce the food dependence of the ECOWAS member states and modernize the production systems. It is built around three outcomes:
 - *Outcome 1.1:* The food products contributing to food sovereignty are promoted (rice/maize/cassava). This outcome includes support activities relating to (i) the modernization of family farms and the sustainable intensification of the production systems, (ii) the development of irrigation, (iii) the restructuring and organization of the commodity chains or value chains and (iv) the promotion of processing activities and the products.
 - *Outcome 1.2:* The livestock, meat and milk value chains are promoted. This outcome primarily includes support activities relating to (i) the adaption and securing of the different breeding systems, (ii) the management of the cross-border mobility

of the herds and the prevention/regulation of conflicts concerning the use of resources, (iii) the restructuring and organization of the commodity chains or value chains and (iv) the promotion of processing activities and the products.

- *Outcome 1.3:* A sustainable management policy and strategies concerning halieutic resources are defined and implemented. Two activities contribute to achieving this outcome: (i) ensuring the coherence of the management strategies in the fishing sector and (ii) improving the productivity and competitiveness of aquaculture.

3.2.2 *The promotion of a global environment conducive to regional agricultural development*

29 In both the economic and commercial environment and the physical environment, major changes influence regional agricultural development. This specific objective is more global in nature than the previous one in that it aims to implement a certain number of activities intended to improve the environment of the sector as a whole, irrespective of the types of production and the agro-ecological areas. Their scope is therefore more general and they mean that support for sub-sectors deemed not to be a priority within the framework of the first specific objective does not need to be pushed back to subsequent investment plans.

30 This sub-program aims to construct a commercial, physical, informational and institutional environment conducive to the massive transformation of the production systems and agricultural value chains in West Africa. It comprises four outcomes:

- *Outcome 2.1:* The commercial environment of the agribusiness value chains is improved. Three main activities contribute to achieving this outcome: (i) the promotion of regional trade in food products, (ii) the development of trade infrastructures adapted to agricultural products and (iii) the adaptation and implementation of new trade measures at the borders of the ECOWAS zone.
- *Outcome 2.2.:* Mechanisms ensuring adaptation to climate variability and change and integration management mechanisms for shared resources are introduced at regional level. This outcome is based on three activities: (i) strengthen regional research to adapt crop production to climate variability and change; (ii) build capacity for integrated management of shared natural resources; and (iii) implement insurance mechanisms to mitigate climate and environmental risks.
- *Outcome 2.3:* An information and aid to decision-making system is operational and is used to monitor: (i) the environmental and macroeconomic context, (ii) the agricultural policies, (iii) the production systems and the food and nutritional situation and (iv) the markets and trade opportunities.
- *Outcome 2.4:* A sub-regional framework conducive to institutional and human capacity building is established. The activity contributing to achieving this outcome is the regional support for the actors' capacity-building initiatives.

3.2.3 *The reduction of vulnerability and the promotion of the population's sustainable access to food*

31 The development of regional food production requires improved income for producers and the other operators in the value chains while striving to improve the competitiveness of the products to reduce the cost of food for all West African consumers. In

the short-term, the price increase caused by the global environment and this strategy of promoting regional products contribute to exacerbating the difficulties experienced by vulnerable populations in obtaining access to food. A sub-program in this field is justified (i) with regard to the food security objectives pursued by the regional and international communities and (ii) to ensure the feasibility of the policy of agricultural development and the promotion of food sovereignty in light of the proportion of the population affected by difficult economic access to food.

- 32 The global objective of this third sub-program is to contribute to ensuring that the food needs of the vulnerable populations are covered and to reducing the structural vulnerability of the populations in both rural and urban areas. It is built around three outcomes:
- *Outcome 3.1:* A harmonized regional analysis framework for the structural causes of vulnerability and the instruments used to reduce it is updated and implemented. Achieving this outcome is envisaged by means of accomplishing the “support for the definition of a common approach to vulnerability and the instruments of intervention”.
 - *Outcome 3.2:* The vulnerability monitoring and food crisis prevention mechanism is improved and adapted. Two activities contribute to achieving this outcome: (i) the adaptation/creation of prevention mechanisms taking the changing risks into account and (ii) the development of the aid to decision-making capacity to prevent crises and target interventions.
 - *Outcome 3.3:* Regional instruments supporting the national capacity to prevent and manage food crises and to reduce the vulnerability of the poor populations are implemented. Four activities are planned in this context: (i) the development of a regional contingency plan, (ii) the bolstering of national stocks and the constitution of regional food security stock, (iii) support for the “innovative” national social safety net initiatives and (iv) the harmonization of the methodologies for evaluating the impacts of the social safety nets and support for the evaluations from a standpoint of regional capitalization.

1. Food security exists when, at any point in time, all human beings have physical and economic access to sufficiently healthy and nutritious food enabling them to satisfy their energy needs and food preferences with a view to leading a health and active life (extract from the declaration adopted at the World Food Summit held in Rome in November 1996).

Table 1 – Overview of the logical framework

Specific objectives	Expected outcomes
<p>S.O. no.1: Promote strategic products for food security and food sovereignty</p>	<p>Outcome 1.1: West Africa is able to meet most of its food needs through the promotion of rice, maize and cassava.</p> <p>Outcome 1.2: Regional imports of animal products and by-products are substantially reduced through the promotion of livestock systems and animal product chains.</p> <p>Outcome 1.3: Policies and strategies for the sustainable management of fisheries resources have been defined and implemented.</p>
<p>S.O. no.2: Promote an enabling environment for regional agricultural development</p>	<p>Outcome 2.1: The business environment for agri-food chains have been improved.</p> <p>Outcome 2.2: Mechanisms to help adapt to climate variability, climate change and integrated management of shared resources have been implemented at the regional level.</p> <p>Outcome 2.3: An information and decision support system is operational.</p> <p>Outcome 2.4: The capacities of regional stakeholders and institutions have been strengthened.</p>
<p>S.O. no.3: Reduce food insecurity and promote sustainable access to food</p>	<p>Outcome 3.1: A regional framework for analyzing the structural causes of food insecurity has been defined; tools for reducing food security have been developed.</p> <p>Outcome 3.2: Systems for monitoring food insecurity and preventing food crises have been improved and adapted.</p> <p>Outcome 3.3: Regional mechanisms to help governments prevent and manage food crises and reduce food insecurity have been implemented.</p>
<p>Activities</p> <p>Management, funding mechanism, monitoring and evaluation</p>	

4 Intervention rationale

- 33 The following tables detail the activities and actions planned for each specific objective. The appendix of the complete document includes the full logical framework, including objectively verifiable indicators.

Table 2 – Logical framework and budget for S.O. no.1 (Part one: rice, maize, cassava)

S.O. no.1: Promote strategic products for food security and food sovereignty		
Expected outcomes	Activities	Actions
Outcome 1.1: West Africa is able to meet most of its food needs through the promotion of rice, maize and cassava	Activity 1.1.1: Support to the modernization of family farms and sustainable intensification of production systems	Action 1.1.1.1: Develop a mechanism to co-finance fertilizer subsidies
		Action 1.1.1.2: Develop a mechanism to co-finance subsidies for small, innovative equipment
		Action 1.1.1.3: Strengthen input distribution networks
		Action 1.1.1.4: Develop a guarantee mechanism for input credit
Activity 1.1.2: Improve irrigation	Action 1.1.1.5: Develop and disseminate new seeds	Action 1.1.1.6: Evaluate impact of special programs and tax and tariff policy on intensification
		Action 1.1.1.7: Develop and help enforce regulation for agricultural inputs (fertilizers, pesticides, seeds)
		Action 1.1.1.8: Promote local fertilizer production
Activity 1.1.3: Structure value chains	Action 1.1.1.9: Secure land tenure	Action 1.1.2.1: Disseminate best practices in small and large-scale irrigation
		Action 1.1.3.1: Support regional networks of producer organizations and inter-professional associations
Activity 1.1.4: Promote processing and value addition to products	Action 1.1.3.2: Support inter-regional trade of food products	Action 1.1.4.1: Regulate, standardize and certify products and training available to stakeholders
		Action 1.1.4.2: Disseminate new processing technologies

Table 3 – Logical framework and budget for S.O. no.1 (Part two: livestock, meat, milk, fisheries)

S.O. no.1: Promote strategic products for food security and food sovereignty			
Expected outcomes	Activities	Actions	
Outcome 1.2: Regional imports of animal products and by-products are substantially reduced through the promotion of livestock systems and animal product chains	Activity 1.2.1: Promote livestock and meat chains	Action 1.2.1.1: Ensure animal health	
	Activity 1.2.2: Facilitate the movement of herds across borders and conflict prevention	Action 1.2.2.1: Improve of cross-border grazing areas for transhumant herds	
Outcome 1.3: Policies and strategies for the sustainable management of fisheries resources have been defined and implemented	Activity 1.2.3: Structure animal production chains	Action 1.2.2.2: Adapt legal texts on cross-border transhumance, disseminate them and enforce their application	
	Activity 1.3.1: Ensure coherent management strategies for the fishery sector	Action 1.2.2.3: Set up a regional conflict prevention framework	
	Activity 1.3.2: Ensure sustainable management of marine and continental fisheries resources	Action 1.2.3.1: Promote self-managed markets	
		Action 1.2.3.2: Strengthen the organization of inter-professional associations and structure animal production chains	
		Action 1.2.3.3: Promote processing and value addition to products	
		Action 1.3.1.1: Formulate a regional policy on fisheries	
		Action 1.3.1.2: Harmonize regulations related to fisheries	
		Action 1.3.2.1: Support the construction of infrastructure to manage streams and bodies of water	
		Action 1.3.2.2: Secure marine and continental fisheries resources	
		Action 1.3.2.3: Improve productivity and competitiveness of aquaculture and fish farming	
		Action 1.3.2.4: Help organize stakeholders and contribute to the professionalization of the sector	

Table 4 – Logical framework and budget for S.O. no.2 (Part one: business environment)

<p align="center">S.O. no.2: Promote an enabling environment for regional agricultural development</p>		<p align="center">Expected outcomes</p>	<p align="center">Activities</p>	<p align="center">Actions</p>
<p>Outcome 2.1: The business environment for agri-food has been improved</p>	<p>Activity 2.1.1: Promote intra-regional trade of agricultural and agro-food products</p>	<p>Action 2.1.1.1: Facilitate funding of cross-border trade in agricultural and agro-food products</p> <p>Action 2.1.1.2: Consult with stakeholders to find ways to manage currency risk associated with cross-border business transactions</p> <p>Action 2.1.1.3: Develop and implement regional standards for marketing agro-food products</p> <p>Action 2.1.1.4: Help set up regional commodity exchanges for food products and freight</p> <p>Action 2.1.1.5: Improve conditions for commodities to circulate in the sub-region</p> <p>Action 2.1.1.6: Prevent and implement actions against price volatility</p>		
<p>Activity 2.1.2: Develop the trade infrastructure suitable for agricultural products</p>	<p>Action 2.1.2.1: Promote and equip cross-border markets</p>			
<p>Activity 2.1.3: Establish effective incentive instruments along borders</p>	<p>Action 2.1.3.1: Develop a safeguard mechanism in addition to custom duties</p> <p>Action 2.1.3.2: Reform the CET Management Committee and set up a consultation mechanism on trade negotiations</p> <p>Action 2.1.3.3: Support West African states in efforts to harmonize customs systems and training of customs agents</p>			

Table 5 – Logical framework and budget for S.O. no.2 (Part two: climate variability and change; management of shared resources)

S.O. no.2: Promote an enabling environment for regional agricultural development		
Expected outcomes	Activities	Actions
<p>Outcome 2.2: Mechanisms to help adapt to climate variability, climate change and integrated management of shared resources have been implemented at the regional level</p>	<p>Activity 2.2.1: Strengthen regional research to adapt crop production to climate variability and change</p>	<p>Action 2.2.1.1: Improve knowledge on climate variability and change, and their impacts on agriculture</p>
		<p>Action 2.2.1.2: Develop techniques and technologies to adapt to climate change</p>
	<p>Activity 2.2.2: Build capacity for integrated management of shared natural resources</p>	<p>Action 2.2.1.3: Leverage and transfer techniques and technologies to adapt to climate change</p>
		<p>Action 2.2.1.4: Develop a monitoring and information system to track international negotiations on climate change</p>
<p>Activity 2.2.3: Implement insurance mechanisms to mitigate climate and environmental risks</p>	<p>Action 2.2.2.1: Integrated management of water resources in major river basins</p>	
	<p>Action 2.2.2.2: Integrated management of cross-border forest ecosystems</p>	
	<p>Action 2.2.3.1: Analyze and build on lessons from crop insurance</p>	
	<p>Action 2.2.3.2: Conduct feasibility studies of different insurance mechanisms</p>	
	<p>Action 2.2.3.3: Help implement pilot projects in crop insurance</p>	

Table 6 – Logical framework and budget for S.O. no.2 (Part three: information and decision support system, capacity building)

S.O. no.2: Promote an enabling environment for regional agricultural development			
Expected outcomes	Activities	Actions	
Outcome 2.3: An information and decision support system is operational	Activity 2.3.1: Track changes to the ecological and macroeconomic environment	Action 2.3.1.1: Set up a coordinated system of environmental monitoring	
	Activity 2.3.2: Strengthen mechanisms that monitor production systems and food and nutritional situations	Action 2.3.1.2: Set up a system to monitor the macroeconomic context and agricultural policies	Action 2.3.2.1: Strengthen national systems for the annual monitoring of the agro, sylvo-pastoral production
			Action 2.3.2.2: Analyze production trends for the main products in the principle production areas
Outcome 2.4: The capacities of regional stakeholders and institutions have been strengthened	Activity 2.3.3: Strengthen mechanisms that monitor regional trade in agricultural products and foodstuffs	Action 2.3.2.3: Develop a regional early warning system for animal feed and water crises	
		Action 2.3.2.4: Analyze trends in food and nutritional insecurity	
	Activity 2.4.1: Strengthen the institutional capacity of regional stakeholders	Action 2.3.3.1: Strengthen production mechanisms and improve dissemination of information on markets and trade opportunities	
		Action 2.3.2.2: Conduct periodic analysis on the advantages and performance of value chains that may be of regional interest	
		Action 2.4.1.1: Support research and training institutions	
		Action 2.4.1.2: Support regional socio-professional trade organizations	

Table 7 – Logical framework and budget for S.O. no.3 (Part one: harmonized regional analytical framework, food insecurity monitoring system)

S.O. no.3: Reduce food insecurity and promote sustainable access to food	
Expected outcomes	Activities
<p>Outcome 3.1: A regional framework for analyzing the structural causes of food insecurity has been defined; tools for reducing food security have been developed</p>	<p>Activity 3.1.1: Help define a shared approach and intervention methods to improve the poor's access to food</p>
<p>Outcome 3.2: Systems for monitoring food insecurity and preventing food crises have been improved and adapted</p>	<p>Activity 3.2.1: Adapt prevention and crisis management systems to the changing context and evolving factors of food insecurity</p> <p>Activity 3.2.2: Develop decision-making capacities to prevent regional crises and to better target interventions</p>
	Actions
	<p>Action 3.1.1.1: Analyze and build on lessons from social safety nets in urban areas</p> <p>Action 3.1.1.2: Analyze and build on lessons from social safety nets in rural areas</p> <p>Action 3.1.1.3: Identify systems that need to be harmonized at the regional level</p> <p>Action 3.1.1.4: Support formulation of national strategies to promote access to food and to reduce vulnerability</p> <p>Action 3.1.1.5: Support the integration of food security safety nets into national poverty reduction strategies</p>
	<p>Action 3.2.1.1: Adapt a methodology to analyze vulnerability based on household food economies (livelihoods)</p> <p>Action 3.2.1.2: Consolidate nutritional monitoring systems</p> <p>Action 3.2.1.3: Revise the geographical approach to food insecurity factors, to enable more precise targeting of social safety nets</p> <p>Action 3.2.1.4: Build national and regional capacities to capture and process primary data</p> <p>Action 3.2.2.1: Build analytical and decision-making skills at national and regional levels and improve the interface between information systems and ECOWAS decision-making bodies</p> <p>Action 3.2.2.2: Strengthen national and regional consultative and coordination mechanisms to address the food situation and formulate responses to crises</p>

Table 8 – Logical framework and budget for S.O. no.3 (Part two: regional instruments for crisis prevention/management and reducing food insecurity)

S.O. no.3: Reduce food insecurity and promote sustainable access to food		
Expected outcomes	Activities	Actions
<p>Outcome 3.3: Regional mechanisms to help governments prevent and manage food crises and reduce food insecurity have been implemented</p>	<p>Activity 3.3.1: Formulate a regional contingency plan</p>	<p>Action 3.3.1.1: Support the formulation of national contingency plans for managing food crises</p> <p>Action 3.3.1.2: Formulate a regional contingency plan</p>
	<p>Activity 3.3.2: Reinforce national stocks and constitute a regional emergency food stock</p>	<p>Action 3.3.2.1: Strengthen national capacities in terms of emergency food stocks</p> <p>Action 3.3.2.2: Strengthen cooperation between countries regarding emergency food stocks</p> <p>Action 3.3.2.3: Gradually establish a regional emergency food stock</p>
	<p>Activity 3.3.3: Support national innovative initiatives to create social safety nets</p>	<p>Action 3.3.3.1: Define eligibility criteria and implementation protocols</p> <p>Action 3.3.3.2: Co-finance national efforts to create social safety nets</p>
	<p>Activity 3.3.4: Harmonize methodologies to assess impact of social safety nets and support evaluation initiatives in view of capitalizing on lessons learned through out the region</p>	<p>Action 3.3.4.1: Improve monitoring and evaluation capacities of the Mechanism for Prevention of Food Crises in West Africa (PREGEC)</p>

5 Costs and Financing

- 34 This section describes the approach used to design the financing plan, the budget breakdown, estimated needs and funding sources.
- 35 The lack of a complete and detailed inventory of existing regional or multinational programs, due to dispersed information and lack of “centralization” at the level of ECOWAS and other development partners, makes it difficult to estimate the gap between total program costs and actual needs..

5.1 Approach to financial planning

- 36 Estimates for the components of RAIP in 2008-2009 were based on a standard costing method. It involved defining an action program for each of the six components and assess the cost. The total amount of resources needed was estimated at over 10 billion dollars for five years.
- 37 Evaluation of costs of the mobilizing programs was based on a very different approach. The financial needs of the program were adjusted according to: (i) the absorptive capacity of ECOWAS and regional partners involved in the implementation of ECOWAP, given their institutional, human and financial management capacities, (ii) the capacity to mobilize resources internally (from the ECOWAS budget) and externally (financial partners).
- 38 This approach enabled the regional program to be calibrated on the basis of a financial volume of 900 million dollars over the next 5 years. Consequently, it was agreed that the actions proposed within the components of the RAIP should be ranked and that the Regional Investment Plan for the implementation of the ECOWAP/CAADP mobilizing programs should focus on a group of priority of fields and actions with regard to the:
- Guiding principles of ECOWAP, in particular in terms of the respective responsibilities of the states and the regional Community;
 - Objective of a massive and rapid transformation of the agricultural sector by acting on the main levers of this transformation.
- 39 The nature of the spending provided for in the Regional Investment Plans leads us to distinguish:
- Material investments, in particular in regional infrastructures;
 - Non-material investments intended to improve the environment of the operators in the agricultural sector and their capacity to participate in the transformation of the agricultural sector;
 - Regional incentive instruments targeting economic and financial operators and intended to push agricultural development in the direction desired by the regional Community and to accompany the national agricultural policy reforms;
 - Solidarity instruments targeting the poorest individuals.

5.2 Budget structure

- 40 The regional budget includes two main sections:
- Management and monitoring and evaluation of the Regional Investment Plan;
 - The activities of the Regional Investment Plan.
- 41 The establishment of the steering bodies and monitoring and evaluation of the policy calls for specific human and financial resources. The costs to these aspects are not included in the activities of the Regional Plan, but in a separate category due to their crosscutting nature across all three mobilizing programs. Therefore the first category includes:
- The budget for the Regional Agency for Agriculture and Food (ARAA), in particular: (i) start up costs for the ARAA, (ii) personnel costs, and (iii) operating costs;
 - Financing for the monitoring and evaluation component;
 - Strengthening of non-fungible institutional capacities: (I) strengthening staff capacity in the Department of Agriculture, Environment, and Water Resources (DAERE), (ii) the functioning of the Inter-departmental Committee for Agriculture and Food and the Advisory Committee for Agriculture and Food and (iii) support to institutions and regional stakeholders to strengthen implementation capacity.

5.3 Estimated funding needs by outcomes, activities and actions

- 42 The following tables present the financing needs in US\$ over five years, aggregated by expected outcomes and by activities. Detailed budgets are provided in the full document.

Table 9 – Estimated costs of the regional plan: breakdown by activities (US\$)

S.O.	Expected outcomes (summary)	Main Activities
S.O. no.1 (399)	<p>1.1: Production systems. Rice, maize and cassava value chains (247)</p> <p>1.2: Livestock production systems. Livestock, meat and milk value chains (92)</p> <p>1.3: Policies and strategies for the sustainable management of fisheries resources (60)</p>	<p>Modernization of family farms and sustainable intensification of production systems (222). Improve irrigation (5). Structure value chains (10). Promote processing and value addition to products (10).</p> <p>Promote livestock and meat chains (20). Strengthen the movement of herds across borders and conflict management (52). Structure animal production chains (20).</p> <p>Coherent management strategies for the fishery sector (10). Sustainable management of marine and continental fisheries resources (50).</p>
S.O. no.2 (282.8)	<p>2.1: The business environment for agri-food (95.4)</p> <p>2.2: Mechanisms to help adapt to climate variability and climate change. Integrated management of shared resources (64.5)</p> <p>2.3: Information and decision support system (AGRIS) (63.9)</p> <p>2.4: Capacities building of regional stakeholders and institutions (59)</p>	<p>Intra-regional trade of agricultural and agro-food products (59.8). Trade infrastructure suitable for agricultural products (29). Establish effective incentive instruments along borders (6.6).</p> <p>Regional research to adapt crop production to climate variability and change (33). Integrated management of shared natural resources (18). Insurance mechanisms (13.5).</p> <p>Monitor the ecological and macroeconomic environment (35). Monitor production systems and food and nutritional situations (23). Monitor regional trade in agricultural products and foodstuffs (5.9).</p> <p>Capacity building of research and training institutions (28) Capacity building of regional socio-professional organizations (31).</p>
S.O. no.3 (176.2)	<p>3.1: Harmonized framework for analyzing the structural causes of food insecurity (12.3)</p> <p>3.2: Systems for monitoring food insecurity and preventing food crises (50.5)</p> <p>3.3: Regional mechanisms to prevent and manage food crises and reduce food insecurity (113.4)</p>	<p>Define a shared approach in terms of analysis and tools (12.3).</p> <p>Adapt prevention and crisis management systems (17.5). Develop decision-making capacities to prevent regional crises and to better target interventions (33).</p> <p>Formulate a regional contingency plan (4.2). Reinforce national stocks and constitute a regional emergency food stock (57.1). Support national innovative initiatives to create social safety nets (50.1). Harmonize methodologies to assess impact of social safety nets (2).</p>
Management, Funding Mechanism, Monitoring and Evaluation (40 millions USD)		

5.4 The sources of financing

- 43 Four main sources of financing can be identified:
 - The resources proper to ECOWAS. ECOWAS has undertaken to contribute at least 15% of the regional fund and the financing of the program (\$150 million over five years). It does not exclude the possibility of increasing the resources devoted to agriculture during the budget discussions of the last 4 years of the plan in relation to the significance of the sector in the regional economy, the impact of the agricultural sector on the other sectors of the regional economy and the Department's capacity of absorption within the ECOWAS Commission.
 - Contributions via donations from the technical and financial partners with three options: (i) pooled contributions in the regional fund; (ii) contributions included in the fund which are not pooled but which are managed in accordance with the principles of the regional fund; and (iii) contributions mobilized outside the channel of the regional fund due to the specific constraints of the aid agencies.
 - Contributions via donations from private foundations with the same three options.
 - Contributions in the form of guarantee funds provided by the TFPs, foundations or financial institutions.
- 44 The banking sector (commercial banks and development banks) is also a major contributor to the financing of regional investments. Its resources are nevertheless not channeled through the fund but are allocated directly to the investing operators. Furthermore, the banking sector can be called on to manage certain budgets within the regional fund or subsidy operations.
- 45 Finally, private operators, including the producers and their organizations, are in reality the main contributors to the activities of the program. These indirect contributions, which are difficult to evaluate, are nevertheless not formally integrated in the finance plan.

6 Economic and financial analysis

- 46 An economic and financial analysis of the Regional Investment Plan has not been carried out yet due to the limited time available to develop the Plan. Only a few actions have been analyzed from an economic and financial standpoint (see Box).
- 47 Economic and financial analysis of the regional plan is likely to be as complex as that of the national plans, due to the multitude of areas and intervention levels, methodologies and beneficiaries.
- 48 An economic and financial analysis of the Regional Plan is relevant for examining several possible impacts. These include:
- Multiplier effects: For example, input subsidies will not only increase agricultural production but also increase the value added created by workers in downstream production.
 - Impacts stemming from a more secure economic environment, the result of fewer risk factors or better mitigation thereof. For example, several actions planned in the regional plan are expected to reduce price volatility of inputs and agricultural products (i.e., the first expected outcome of specific objective no.2). Other actions are expected result in better protection of farmers against climate hazards (i.e., action 2.2.3 under specific objective no.2). Overall, the implementation of the regional plan should allow economic actors in the agricultural sector to operate under more stable conditions.
- 49 The Regional Plan will have many other effects that will be analyzed on a smaller scale, in particular effects on:
- Institutional viability of local, national and regional implementing agencies;
 - Conflict mitigation over access to resources (or use thereof);
 - Reduction of food crises;
 - Regional integration.
- 50 The monitoring-evaluation component will design and implement specific tools to address this second category of impacts.

Economic and financial analysis of actions 1.1.1.1 (Develop a program to co-finance fertilizer subsidies) and 1.1.1.3 (Strengthen input distribution networks).

- a. The impact of input subsidies will depend on many factors including the financial involvement of Member States in the program, subsidy rates, effective targeting of beneficiaries, effects of fertilizer on yields, input use by farmers for different crops, etc.
- b. The following assumptions have been used for the economic and financial analysis:
 - Fertilizer is subsidized at 30% the market price;
 - 1.3 million tons of fertilizers are subsidized over 5 years;
 - Subsidies target farmers who have not used fertilizer in the past;
 - Subsidized fertilizer is distributed as follows: 40% for cassava, 35% for maize and 25% for rice;
 - One kg of fertilizer results in production increases of 31 kg for cassava, 9 kg for maize and 18 kg for rice.
- c. Based on these assumptions, the main effects of the program will be:
 - In 5 years, production increases of 33% for cassava, 34% for maize and 74% for rice. For the three products combined, this represents an overall increase of 38% in 5 years, an average of 7% per year. At this rate, the goal of the Abuja Declaration will be achieved.
 - Additional value added of about US\$ 1 billion per year, 80% for rural households, thus inducing pro-poor growth that creates jobs.
 - An internal rate of return (IRR) for Member States and the Community of roughly 15%. This rate assumes deductions amounting to 5% in the different value chains (market taxes, income taxes on processors, transporters, traders, etc.) and continuation of fertilizer use once subsidies are phased out.
- d. In addition, increasing the market for inputs and improving competition will reduce margins and distribution costs, which will drive down retail prices by 10% and, therefore, further incentivize input use.
- e. The program's high profitability is mainly due to increased yields resulting from input use in a situation where fertilizers are currently under-utilized. Crop response to fertilizer will gradually decrease as the optimum application rate is reached (law of diminishing returns). Ineffective targeting is the main risk; should beneficiaries be poorly targeted, the program may only have a "windfall effect," without sustainably increasing input use.

7 Implementing mechanism

- 51 At the same time it designed the Regional Investment Plan, the ECOWAS Commission formulated the institutional framework to implement it. Additional studies will be carried out in the months to come to finalize the mechanism and implement it.

7.1 Governance and monitoring of ECOWAP/PDDAA

- 52 The governance of ECOWAP/CAADP is a pivotal and decisive question with regard to the expected results of the Regional Investment Plan. It is also a very complex issue for the following reasons:
- The agricultural sector covers numerous inter-related sub-secteurs: crop and livestock production, intensification and environmental issues, land tenure and modernization of farms, etc. Managing these complex interrelationships is crucial.
 - The agricultural sector is strongly intermeshed with the rest of the economy. Poverty reduction (severity, incidence) is a major challenge in rural areas. At the regional level, macroeconomic policy, the development of infrastructures, domestic and foreign trade policy, etc. have a strong impact on the agricultural sector. This highlights the importance of the coordination and arbitrage between the different departments.
 - Agricultural policies together with development and investment policies in the sector remain first and foremost national prerogatives. However, both the interdependences between national agricultural systems at the regional level and the desire to move towards stronger integration of the sector lead to national policies being coordinated at regional level and to the creation of a framework for the gradual convergence of national approaches. Since the negotiation and subsequent adoption of ECOWAP, this question is at the heart of the regional debate. The simultaneous design of national investment programs and the regional program present an opportunity to make progress in this direction, although it implies that convergence must be seen as a process which will necessarily take time to achieve.
 - The agricultural sector involves a large number of operators —both organized and otherwise— from the producer to the consumer. The national and regional services providing support to this sector are weak and must be considerably strengthened to satisfy the needs of the operators and of a proactive agricultural promotion policy. The organization of the operators is changing but remains insufficient. The intergovernmental technical cooperation institutions sometimes enjoy mandates which overlap and they operate in different types of geographical areas. Generally speaking, their capacity to implement the programs is insufficient (human and institutional capacities) and acts as a clear brake on the implementation of the Regional Investment Plan. A detailed study of technical institutions will help define a strategy to adapt to the Community's needs and the sector's expectations.
 - The capacity of the ECOWAS Commission is also called into question. The human capacities of the Department of Agriculture, the Environment and Water Resources are clearly insufficient to implement the investment plan. The internal means of joint information and joint decision-making are not sufficiently clear. The financial management measures are not adapted to the demands and needs of the Regional Investment Plan (diversity of instruments used, speed of implementing the

resources, joint financing procedures, etc.). The Commission's in-house financial mechanism has been made much more secure but is still judged to be insufficient to facilitate the pooling of resources from the different parties contributing to the ECOWAP/CAADP financing.

- 53 In this context, the ECOWAS Commission has designed an institutional provision and a financing mechanism which it has submitted to the member states and to all regional and international partners. A set of orientations were adopted at the Abuja Conference held in November 2009².
- 54 The institutional provision is based on four principles: (i) a political responsibility clearly assumed by the statutory authorities of ECOWAS and the Commission; (ii) political guidance combining the main operators in the sector (partnership, dialogue); (iii) the principle of delegation of project management for elements of the investment plan which are not sovereign functions of ECOWAS; and (iv) financial management, control and monitoring/evaluation procedures which are predictable and secure.
- 55 Implementing these principles leads the Commission to introduce the following bodies:
 - The Advisory Committee for Agriculture and Food. This will be a forum for structured dialogue with the operators.
 - The Inter-departmental Committee for Agriculture and Food. This body will examine and take joint decisions concerning policy reforms involving several departments of the Commission. The investment plan includes a large number of actions requiring the involvement of the Commission above and beyond the Department of Agriculture, Environment and Water Resources (DAERE).
 - The Regional Agency for Agriculture and Food will be implemented at the discretion of the statutory authorities. It will enjoy administrative autonomy enabling it to draw up contracts with delegate project managers selected according to their level of competence by means of invitation to tender, call for proposals or by mutual agreement, depending on the case. The agency will answer directly to the Commissioner responsible for Agriculture, Environment and Water Resources.
 - The Regional Fund for Agriculture and Food, which will be managed by a regional financial institution EBID.
- 56 Creating these bodies requires (i) detailed information, (ii) validation of the modalities by the member states and the operators and (iii) the formal decision of the statutory authorities of ECOWAS. These aspects will be handled in the second half of 2010.
- 57 In addition to the introduction of these bodies, the deployment of the Regional Investment Plan requires that the human capacities of the Department of Agriculture be strengthened in the short term.

2. The Regional Partnership Compact and the note relating to the institutional provision and the financing mechanism (International Conference on ECOWAP financing, November 2009).

7.2 Mécanisme de financement du plan régional d'investissement

- 58 The financing mechanism for the regional agricultural program is designed to endow ECOWAS with the financial tools corresponding to the different demands and needs specific to the different types of activity included in the program.
- 59 In adopting ECOWAP, the Heads of State and Government decided to create a regional fund dedicated to financing the agricultural policy (ECOWADF). During the international conference on the financing of agricultural policy held in Abuja in November 2009, the creation of the Regional Fund for Agriculture and Food was confirmed and included in the Regional Partnership Compact signed by the different parties concerned.
- 60 From the long-term perspective, the financing mechanism aims to channel most of the financing sources for regional actions concerning the agricultural sector into the regional fund with a view to ensuring the rational use of domestic and foreign resources in order to guarantee that the ECOWAP/CAADP objectives are achieved. Pooling resources enables ECOWAS to assume the role of leader in defining the financing priorities of the different dimensions of ECOWAP/CAADP, in accordance with the principles of the Paris Declaration on Aid Effectiveness.
- 61 The regional fund is a tool which, thanks to the quality of governance and the strict management, should facilitate the pooling of resources and their allocation in accordance with the regional priorities.
- 62 It is in this context that the technical and financial partners signed the Regional Compact "to implement an aid coordination and management mechanism within the framework of the institutional and financial mechanism of ECOWAP/CAADP".

7.2.1 *A progressive approach to pooling resources*

- 63 The ultimate goal is to pooling resources within a single secure regional fund. However, not all of the financial contributors to the regional plan are currently able to channel resources toward this basket fund, due to their own procedures.
- 64 The feasibility study concerning the regional fund takes this aspect into account and proposes a differentiated involvement of the financial partners according to their possibilities and their demands.
- 65 We must consequently identify three aspects:
- Programming resources: the regional plan opens the way to real coordination of resource programming between all the parties concerned by the financing. It is therefore at this stage that the resource orientation must be adapted to the priority actions defined by the region.
 - Channeling and managing resources: initially, they will de facto combine several modalities. The aim is that the diversity of the financing modalities does not affect, or at least as little as possible, the rationale behind the programming and implementation of the activities and actions. Consequently, the backers or pool of backers interested in contributing to financing the plan by means other than the

regional fund are invited to express their intentions while taking account of complete coherent sets of activities and actions.

- Monitoring involvement and controlling the use of resources: once again, while the existence of several financing channels does not facilitate a single monitoring and control procedure, it is no less important to reach an agreement on the procedures facilitating the consolidation and global monitoring of the resources concerned.

66 The procedures of the ECOWADF regional fund under development target two objectives:

- To facilitate the quick implementation of the resources;
- To provide maximum guarantees concerning the transparency and good management of the financial resources.

67 The financial partners are therefore invited to work alongside ECOWAS to ensure that the procedures adopted at regional level comply with the demands of the backers and will not act as a break on the pooling of resources.

7.2.2 *The financing instruments*

68 The financing instruments required to implement the activities and actions adopted refer to different categories. The instruments are categorized according to both their end goal and their nature.

Categorization according to the end goal of the instruments

69 Four main categories of guichets are identified according to their end goal:

- The support for regional agricultural integration guichet;
- The food security guichet;
- The support for innovation and capacity building guichet;
- The support for the regional political, institutional and regulatory framework guichet.

70 The Regional Investment Plan orients each action towards one of these four guichets of the ECOWADF regional fund. The fields covered by each guichet are explained below.

71 The “support for regional agricultural integration” guichet

- Agricultural intensification:
 - Guarantee fund to partially cover the risk linked to the input and equipment supply credit;
 - Subsidy budget for the joint financing of national input and small equipment subsidy programs;
 - Interest rate subsidy budget for loans to input and equipment distributors.
- Processing and marketing of agricultural products:
 - Investments budget: storage infrastructures, cross-border markets, etc.;
 - Guarantee fund to partially cover the risk linked to the strategic product marketing credit and the processing plants equipment credit;
 - Interest rate subsidy budget for:
 - a. Marketing credits: primary collection of POs; regional commercial operations;

- b. Processing plants equipment or investment credits.
 - Compensation budget for adjustment costs resulting from the application of the new commercial measures for agricultural products.
 - Management of shared resources:
 - Investment allowance: development of cross-border areas, etc.
- 72 The “food security” guichet:
 - Joint financing budget for national social safety net programs;
 - Constitution and maintenance of regional security stock.
- 73 The “support for innovation and capacity building” guichet:
 - Budget for “research support, dissemination of goods practices, shared experience, capitalization, networking with regard to themes of regional interest;
 - Budget for the “capacity building for the different categories of operator”.
- 74 The “support for the regional political, institutional and regulatory framework” guichet:
 - Regulations/legislation, standardization, community certification and quality control;
 - Information and aid to decision-making mechanisms;
 - Coordination and regional harmonization of national policies;
 - International negotiations;
 - Support for regional technical cooperation institutions;
 - Studies and assessments.

Categorization according to the nature of the instruments

- 75 Subsidy: this tool is used to:
 - Finance non-material investment programs: studies, research, regional dialogue, information mechanisms, etc.;
 - Finance or co-finance material investments: storage infrastructures, regional infrastructures (markets, etc.);
 - Co-finance national input, production, equipment and processing subsidy programs;
 - Promote innovations and finance capacity building programs.
- 76 Interest rate subsidies: this tool is used to reduce the cost of credit in various fields, in particular in the supply of inputs and equipment used for production, processing and marketing activities.
- 77 Guaranteeing loans: this tool is intended to take over a proportion of the risk facing banking establishments with a view to encouraging them to invest in financing agriculture.
- 78 Loans: this tool is not included as such in the architecture of the financing mechanism. Loans are provided by commercial and/or development banks. The regional fund only intervenes to provide deposits or interest rate subsidies.
- 79 The detailed plan for each activity and each action, the financial instrument used. A certain number of principles govern the use of these financial instruments.

7.2.3 Pooling principles of the financing tools

- 80 Regional financial intervention is based on the following principles:
- Actions relating to the fields of exclusively regional competence: these are financed 100% by donations;
 - Actions relating to the economic field in the member states, such as intensification subsidies, support for private investments, are the joint responsibility of the member states and the Economic Community. As such:
 - The regional instruments are implemented to exercise a *lever effect*: encourage the member states, orient public action in accordance with the objectives of ECOWAP.
 - The regional instruments support and reinforce the national instruments: the regional level can only intervene to co-finance national programs.
 - The productive investments are financed by loans. The availability of credit lines falls under the responsibility of the banking sector (national banks, regional banks, investment banks). The international partners who possess this type of instrument (working capital) can implement them directly vis-à-vis these financial establishments. The collective agreement between ECOWAS, the ECOWADF regional fund manager and the banking establishment is a prerequisite to the intervention of the regional fund with a view to providing interest rate subsidies or covering credit risk.
 - Coverage of financial risks is systematically shared between the financial institution, the state and the regional Community. It is a principle of *shared responsibility* leading each party to favor good credit management. The modalities of this responsibility sharing must be refined. The current budget is based on the following provisional elements:
 - a. 20% of the guarantee fund serves to cover proven risks;
 - b. This 20% is allocated on the following basis: 10% for the bank, 5% for the state and 5% for the region.
 - The division of the costs of the subsidy, the interest rate subsidy and the guarantee between the state and the regional Community can be modulated to take account of the level of development of the country and the capacity of the state budget (regional solidarity).
 - Competition. With a view to encouraging innovation and the combination of different categories of partner focusing on the same operation, certain guichets will be mobilized on the basis of the call for proposals or an invitation to tender. This is the case for a proportion of the resources allocated to the “support for innovation and capacity building” guichet.

8 Synergies between programs

- 81 The Regional Investment Plan is based on ECOWAP principles. In particular, the following three oriented the choice of regional interventions: subsidiarity, complementarity and shared responsibility.
- 82 The mobilizing programs were designed around three categories of interventions: (i) management of interdependencies between countries, (ii) cooperative efforts to address shared problems, to benefit from economies of scale, and (iii) management of the region's relationships with actors outside.
- 83 The mobilizing programs and Regional Plan were formulated through a multi-stage consultative process with Member States and regional stakeholders, precisely to ensure that the expectations and needs of countries and sector stakeholders were taken into account in the regional interventions.
- 84 There is synergy at three levels: (i) between national plans and the Regional Investment Plan (ii) between the three mobilizing programs, and (iii) between sectoral policies within the ECOWAS Commission.

8.1 Synergies between national programs and the Regional Investment Plan

- 85 The regional plan does not replace interventions planned under national plans, but federates them under a shared regional vision stemming from the interdependencies between national agricultural sectors and the transnational nature of production areas and trade. It deals with the regional dimensions of these plans. This is the case, in particular, for issues that are under the exclusive jurisdiction of ECOWAS: external trade policy (TEC) and internal market liberalization (markets for inputs and agricultural products), product standards, phytosanitary and veterinary regulations, etc. It is also the case for issues that fall under the shared jurisdiction of individual Member States and the region: harmonization of fiscal policy, rules governing management of shared resources, organization of value chains, etc. Finally, on many issues, the Regional Investment Plan acts to facilitates technical cooperation between Member States, thus reducing costs by pooling resources. This is the case for research activities, dissemination of good practices and knowledge sharing activities, etc. To ensure complementarity and coordination of regional and national activities, the Regional Investment Plan introduces an important innovation: co-financing of national subsidy programs, such as inputs and equipment.

8.2 Synergies between the three mobilizing programs laid out in the Regional Investment Plan

86 The mobilizing programs were designed to articulate with (i) the operational priorities of ECOWAP/CAADP, and (ii) the operational priorities of the Regional Offensive for Food Production and the Fight against Hunger, developed in response to the 2007-08 food crisis. The first mobilizing program focuses on the challenges associated with increasing production of strategic food products in light of growing demand, their contribution to the regional trade balance and their development potentialities. The second program is a continuation of these issues and focuses on the business environment of farmers and other economic agents. It addresses market functioning and regulation, and the management of shared natural resources under climate change. It also deals with agricultural information, a high-stakes challenge facing West Africa. The third mobilizing program addresses access to food. Food security remains precarious in the region, due to endemic poverty. Supply has increased, but it is not enough to ensure food for all. For this reason, the program aims to strengthen national strategies for managing food emergencies, via a regional food stock and co-financing of safety nets for vulnerable populations.

8.3 Synergies between sectoral policies within the ECOWAS Commission

87 This is a crucial point, given the Department of Agriculture, Environment and Water Resources does not have the capacity to deal with some fundamental aspects of agricultural policy, including foreign trade policy, infrastructure development and the harmonization of macroeconomic policies. Therefore, although these policies are included in the Regional Investment Plan, a specific institutional mechanism is needed to help the ECOWAS Commission address agriculture issues as they pertain to other sectoral policies. The Inter-departmental Committee for Agriculture and Food is specifically designed to investigate these issues and negotiate tradeoffs.

9 Implications for public policy

- 88 The definition and implementation of the regional agricultural investment plan, operational tool of ECOWAP/CAADP, is part of a broader process to strengthen regional economic and trade integration, and collaborative management of cyclical food crises.
- 89 The operationalization of the options, orientations and objectives adopted by the agricultural policy and accounted for in the different components of the Regional Investment Plan, requires extensive public policy reforms to accelerate agricultural development and ensure food security.
- 90 The implementation of regional public policy instruments should help prepare for changes in the agricultural sector, in accordance with the guidelines and initial objectives of ECOWAP/CAADP. These instruments concern specific institutional arrangements and mechanisms, but primarily incentives, disincentives, regulation and crisis management.
- 91 The regional agricultural policy includes dimensions that go beyond the usual prerogatives of agricultural authorities, both at the national and regional level. This is the case for the second and third operational priorities, which explicitly address the integration of agricultural products in regional markets, foreign trade policy and international negotiations.
- 92 The ECOWAS Commission is committed to establishing an appropriate institutional framework and, especially, to defining regional public policy instruments aimed to:
- a. facilitate access to inputs and equipment to accelerate intensification of agricultural production;
 - b. stabilize agricultural prices to secure farmers' income and access to reasonably priced food for consumers;
 - c. ensure poor people's access to basic food needs through transfer mechanisms (safety nets).

9.1 In the area of intensification

- 93 Two types of measures are planned:
- a. Measures under the exclusive jurisdiction of ECOWAS. These measures focus on tax and customs policies (customs duties, VAT, and safeguard measures). They aim to set up a minimal tax regime for agricultural inputs, equipment, and processing of products to promote their use and improve competitiveness of agriculture. They also address regulation and legislation concerning inputs and management of shared resources.
 - b. Measures under regional and national jurisdictions. These measures include an incentives package that targets intensification through access to inputs and equipment. They include (i) mechanisms for the region to co-finance national subsidy programs for inputs and equipment, (ii) measures to promote input and equipment distribution channels, (iii) measures to facilitate access to finance through

subsidized credit and guarantee funds designed to offset default risk, targeting producer organizations. . These measures require public and private sectors, and agricultural professional organizations to coordinate at regional and national levels.

9.2 The measures on regulation of agricultural markets

- 94 These measures seek to operationalize the second and third Axes of intervention of the regional agricultural policy. Designed to promote the regional market and capture foreign markets, these measure aim to (i) adapt customs duties and (ii) improve the functioning of markets and organization of value chains:
- a. Efforts to adapt import/export tax policy (customs duties, safeguard measures and VAT) strive to (i) establish an external tariff that will secure investment in agriculture, (ii) promote community preference and (iii) exploit the enormous potential of ECOWAS agriculture.
 - b. Improve the functioning of internal markets by developing market infrastructure and eliminating technical barriers that limit regional trade flows.
- 95 Adoption of a legal and regulatory framework regarding the standardization, accreditation, certification and promotion of quality in ECOWAS Member States. This measure involves creating business law that protects all stakeholders, and defining sanitary and phytosanitary standards consistent with the objective of capturing regional and international markets.
- 96 Other regulatory instruments such as emergency food stocks, are being considered, but must be investigated and validated by the Member States. Stocks would be set up under contractual agreements with accredited regional warehouses. They would be scattered throughout the region, located in the surplus areas in close proximity to deficit areas, to limit transportation costs. They would be set up by an invitation to tender.

9.3 Policies and measures addressing vulnerable populations

- 97 They focus mainly on setting up a regional food stocks to shore up national stocks, and co-financing national food safety nets. Two measures have been selected:
- a. Firstly, (in the first Regional Investment Plan) set up a regional stock of 50,000 tons of cereals. This stock would be amassed by tender, owned by the Community and managed under contract by companies and the national offices responsible for managing national food stocks.
 - b. Co-financing Member States' initiatives to develop social safety nets targeted at the most vulnerable urban and rural populations.

9.4 Implementation of an efficient information and decision support system

- 98 There are many functional information systems in the region, but most are fragile. Regional measures will focus on:

- a. support for conducting standard statistical operations to develop standardized methods and tools for qualitative data collection;
- b. support for training activities to build capacity for data collection and analysis;
- c. strengthening the network of national and regional information systems, and their relationships with international networks.

This activity will be associated with the regional information system, AGRIS.

10 Safeguards and monitoring

- 99 By definition, the Regional Investment Plan focuses on the agricultural sector. However, achieving objectives and expected outcomes will depend, among other things, on the effective implementation of public policies that are not specific to the agricultural sector.
- 100 Foreign trade is the first area whose effectiveness determines the success of the Regional Agricultural Investment Plan. In order to apply the Common External Tariff (CET), it is necessary to finalize the process of re-categorizing products within the customs schedule that now includes a fifth band at 35%. In addition to customs duties, boosting agricultural value chains in the region calls for pricing instruments that can react to fluctuations in international markets.
- 101 The second area concerns the regional harmonization of national tax policies. Creating a truly regional market for agricultural products and food is predicated on minimizing disparities in national taxation, investment incentives, business income and specific taxation of particular activities, etc.
- 102 The third area is harmonization of business law. OHADA (Organization for the Harmonization of Business Law in Africa) has worked on this issue for several years in francophone countries. Efforts must now be extended to all ECOWAS Member State. This is critical for developing processing, storage and distribution businesses capable of meeting the growing demand of regional consumers.
- 103 The ECOWAP/CAADP steering committees, in particular the Advisory Committee for Agriculture and Food and the Inter-departmental Committee for Agriculture and Food, will ensure articulation of the Regional Agricultural Investment Plan with the other regional public policies³ that underpin its success. The Advisory Committee will draw policymakers' attention to actual or potential obstacles to achieving the regional plan due to policy measures in other areas that are either inappropriate or not enforced. The Inter-departmental Committee will be the appropriate forum where potential obstacles can be addressed.

3. See Chapter 8: Synergies between programs.

11 Institutional evaluation

- 104 ECOWAP will be operationalized via the Regional Agricultural Investment Plan in conjunction with a multitude of institutions from a range of sectors (political, economic, commercial, social and environmental).
- 105 In addition to the three institutions responsible for managing the regional integration process (ECOWAS, UEMOA and Mano River Union), each with a different geographic configuration, the region boasts a large number of technical cooperation agencies and stakeholder networks.
- 106 Technical cooperation agencies outnumber the rest. A wide variety of institutions fall under this category, either in terms of (i) legal status, (ii) fields of expertise, or (iii) areas of intervention. They include (a) West African and African intergovernmental institutions and specialized bodies of these institutions (CILSS; CMA/AOC, WECARD, etc.), the specialized agencies of ECOWAS: CCWR, WAHO ; the African Rice Center, river basin management authorities (ABN, OMVS, etc.), and (b) International institutions with technical mandates and headquarters or offices in the region: IFDC, IITA, ICRISAT, IWMI, etc.
- 107 Also included in the institutional landscape are financial institutions such as WABD, EBID, FAGACE, etc.
- 108 In addition to these institutions, numerous projects and programs cover various issues and operate in several countries. This plan catalogues some of these initiatives, in the inventory of current activities that address each of the specific objectives.
- 109 Public policy reforms over the last twenty years have given way to a multitude of networks that have positioned themselves as genuine development partners in agriculture. These networks play an increasingly important role in defining sectoral policies and ensure civil society and private sector stakeholders participation in developing and implementing strategies and programs in the region.
- 110 Among them, ROPPA is the most organized. Its network is based on national committees that coordinate farmer organizations (CNOP), present in 11 countries. The RECAO is another major network player, coordinating national Chambers of Agriculture in seven countries across the region. In addition, there are a number of thematic networks that bring together POs organized around products or value chains, such as pastoral practices or rice production.
- 111 Other networks can be found at the level of agrifood businesses (Réseau Interface, etc.). Civil society is structured around the West African Civil Society Platform.
- 112 Public institutions and stakeholder networks contributed considerably to the formulation of the agricultural policy and the basic documents for the Regional Investment Plan. Their involvement in the project management mechanism that will oversee implementation of the Regional Investment Plan will help guarantee its effectiveness.

- 113 However, behind this strength lies structural problems that undermine the West African institutional framework, which could impede the expected results of the Regional Agricultural Investment Plan: overlapping mandates, geographical areas, etc. disperse energies and human and financial resources. This raises the more fundamental problem of ECOWAS affirming its authority over institutions that it alone does not control.
- 114 This issue is important, given the institutional framework ECOWAS has established to steer agricultural policy: strengthening capacity of the Department of Agriculture, Environment, and Water Resources (DAERE) and, especially, the creation of a regional agency for agriculture and food; The latter should establish contractual agreements with technical institutions in the region to implement different components of the Regional Agricultural Investment Plan.
- 115 The implementation of the Regional Investment Plan also involves testing a number of public policy measures to support agricultural development: intensification measures, market regulation tools, mechanisms to facilitate access to food. Most regional institutions are unprepared to oversee these complex policies and measures.
- 116 Addressing these concerns requires two decisive actions to enable technical institutions and networks of agricultural organizations from the private sector and civil society to fulfill their role in this partnership:
- a. Reorganize these specialized technical institutions so that their organizational structure and mandate correspond to the challenges of implementing agricultural, environmental and water policy in the region. This implies revisiting each institution's objectives and operational priorities. In other words, there is a need to restructure the region's institutional landscape.
 - b. Build capacity of personnel in regional technical institutions, to ensure they have the skills needed to accompany a massive transformation of the agricultural sector.

12 Monitoring and evaluation

- 117 Monitoring and evaluation (M&E) is a key component of the regional agricultural policy. It is designed to carry out four main functions: (i) keep the Commission accountable to stakeholders, by reporting on results of activities carried out under the regional agricultural policy framework; (ii) ensure optimal management of human, financial and material resources; (iii) inform decision-making on whether to continue, stop or reorient components of the agricultural policy; (iv) share knowledge, mobilize and reinforce the multi-stakeholder partnerships involved in ECOWAP implementation, in view of helping partners better understand the results of their actions and improve their contributions to ECOWAP's objectives.
- 118 The ECOWAS Commission has submitted a first scoping paper on the monitoring and evaluation framework to Member States and regional stakeholders. The framework requires a clear prescription, as the M&E component must be able to (i) guide the policy process (ii) monitor implementation, and (iii) evaluate impact all at the same time. The M&E component will rely heavily on data from the Regional Agricultural Information System (AGRIS).
- 119 The M&E system to be implemented by the Commission should (i) strengthen the Commission's policy steering capacities; (ii) periodically collect indicators (inputs, outputs, outcomes, impacts) to track changes over time; differences between initial forecasts and actual results; geographical, social and institutional disparities; and (iii) serve as a decision-making tool for national and regional decision-making bodies (periodic review).
- 120 The signatories of the Regional Compact agreed that the M&E system would be a joint tool, allowing each stakeholder to monitor implementation of ECOWAP/CAADP and assess their individual contribution. The system must articulate with national M&E systems, and the Africa-wide monitoring-evaluation tool under construction.
- 121 Designing the M&E system involves three major steps or phases:
- define the scope of monitoring and evaluation that corresponds to the Regional Agricultural Investment Plan, the National Agricultural Investment Plans and the needs of implementing agencies (Department of Agriculture, Environment and Water Resources; Inter-departmental Committee for Agriculture and Food; Advisory Committee for Agriculture and Food; Agency for Agriculture and Food; regional technical cooperation partners; agricultural trade organizations; civil society; etc.);
 - develop logical frameworks for the Regional Investment Plan and activities to be carried out under national plans;
 - establish the process for collecting, processing and analyzing M&E data.
- 122 Three technical partners will contribute to M&E:
- ReSAKSS is an Africa-wide knowledge support network with ties to regional and national levels. It will (i) facilitate review and exchange of knowledge under ECOWAP/CAADP, and (ii) monitor the performance of the West African

agricultural sector, notably the effects of ECOWAP/CAADP on economic development in general;

- AGRIS, the federating network of national and regional agricultural information systems, will be responsible for producing reliable data which will be used to analyze structural developments in the sector. It will inform decision-making at the national and regional level;
- The monitoring and evaluation unit of the Regional Agency for Agriculture and Food, will be responsible for M&E of all initiatives undertaken within the framework of ECOWAP/CAADP.

13 Risk assessment

- 123 Risks are situations or events likely to jeopardize the objectives and outcomes of the regional plan. This chapter complements the list of risks associated with activities and actions detailed in the presentation of assumptions (see log frame); it summarizes the program's cross-cutting risks. There are three main types: i) lack of genuine regional leadership, ii) protracted implementation of the plan, iii) lack of coordination between the regional plan and national plans.
- 124 Insufficient leadership would seriously endanger the regional plan's objectives. Several factors could cause this:
- a. Insufficient capacity building of the ECOWAS Commission and stakeholders.
 - b. A delay in the effective establishment of steering committees (the Advisory Committee, the Inter-departmental Committee), implementing agencies (the regional agency, drawn out contracting procedures) and the monitoring-evaluation component.
 - c. Insufficient pooling of resources by the various partners. This last risk factor may be mitigated by setting up an effective financial tool capable of securing resources, and by effectively coordinating the activities of technical and financial partners.
- 125 The second type of risk that could limit the regional plan's success has to do with its protracted implementation, especially in the early stages, resulting from: delays to amass partners' financial contributions; the mushrooming of feasibility studies in response to procedural requirements specific to each financial partner; delays to set up the ECOWAP implementing agencies.
- 126 The third type of risk refers to the particularly crucial issue of consistency between the regional and national plans. It could change as the implementation timeline is adjusted. Above all, it could be compromised by a desire and/or inadequate capacity of Member States to exploit the levers and tools available at the regional level such as the co-financing tools for national subsidy programs.

This document is a summary of the Regional Agricultural Investment Plan for the implementation of the mobilizing programs over the period 2011-2015. These programs represent the regional dimension of West African agricultural policy, ECOWAP/CAADP.

It was developed within the framework of the Dakar Business Meeting (14-17 June 2010), which brought together Member States and the ECOWAS Commission, regional stakeholders from the agricultural sector (producers' organizations, private sector), regional and international technical cooperation institutions, civil society and technical and financial partners.

The ECOWAP/CAADP process was led by the ECOWAS Commission. It benefited from technical assistance from IFPRI, IITA, ReSAKSS, the Issala – LARES – IRAM – MSU Group, the lead institutions of CAADP mobilized by the African Union and the NEPAD Planning and Coordinating Agency (CMA/AOC, CILSS, University of KwaZulu-Natal, University of Zambia, FARA) and the FAO.

It is financed by ECOWAS Commission, USAID, France, Spain, World Bank and the European Union.

The complete document presenting the Regional Investment Plan is available from the ECOWAS Agricultural Development Department.

