

“Targeting Hunger: South- South and Triangular cooperation for Transforming Agriculture”

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Khalid Bomba – Talking Points

Panelists are asked to share up to three main issues/areas/actions/gaps/opportunities that they are taking or have identified that can help advance the design, focus and implementation of policies for sustainable agriculture and food systems to combat hunger (Panel 1)

Ethiopia has been one of the fastest growing economies in the world over the past decade which has been largely powered by a rapidly modernizing agriculture sector which still accounts for over 30% of GDP and over 70% of employment.

During this journey two primary approaches have been effective in promoting a climate smart and sustainable approach to agricultural transformation and one key challenge identified in our work:

1. System approach aims to address structural challenges beyond issues at the farm level and leverages technology extensively

- a. Opportunities both upstream and downstream beyond the farm level activity – build the supply chain and moving from subsistence to commercial production even for smallholders
 - i. Seed multiplication and input supply chain
 - ii. Transport and logistics
 - iii. Storage, processing and value addition
- b. At the farm level
 - i. Clustering of smallholder farmers
 - ii. Specialization based on comparative advantage and market access
 - iii. Mechanization through service provision
- c. Leveraging of technology and digitization
 - i. EthioSIS – digital soil fertility map
 - ii. Shallow ground water digital map
 - iii. 8028 farmer Hotline
 - iv. Website based market linkages
- d. Environmental sustainability and inclusion
 - i. Digital soil map and water management
 - ii. Rotation and conservation agriculture
 - iii. Youth, women and marginalized communities

2. Collaboration between the public sector, private sector and civil society/community organizations

- a. Ethiopia’s focus in the past driven by large public sector investments but this has shifted considerably in the past few years to re-orient the public sector as a shaping, direction

setting and on public good investments while creating the space for the private sector and empowering local communities

- b. Public sector
 - i. Analytics capability built within the agriculture sector using the model team of international management consulting firms such as McKinsey, Bain and BCG for identification of the systemic bottlenecks and design of interventions
 - ii. Public good investments such as EthioSIS – led to OCP partnership
 - iii. Policy and regulatory refinements
- c. Private sector
 - i. Proactive engagement with international investors with market analysis and investment plans rather than being reactive
 - ii. Parallel grants and regulatory changes for Ones stop shops
- d. Civil society and community organizations
 - i. Water user associations rather than privatize or govt led management – Elenor Ostrom Nobel prize for economics approach for managing common resources is a common approach used in many developing countries – we’ve used this to empower local communities to manage the underground digital water map

3. Gaps/opportunity

- Better alignment required across all partners
 - o Lots of development dollars but tends to cluster together and needs more integration
 - o Lots of private funding looking for investments but enabling environment missing
 - o Lots of political will but lack of practical policy solutions and even then, implementation capacity is often lacking
- One of the potential solutions Ethiopia has been leveraging is the creation of a Nodal Agency for the agriculture sector with targeted and enhanced capacity to serve as a change agent. This is what countries such as Korea did with EPB, Japan did with MITI and Malaysia did with PEMADU. And what Ethiopia has been trying to do with the creation of the ATA, the organization that I lead.
- This is also one of the implications of the recommendation that some scholars such as Dani Rodrick at Harvard and Maria Mazzucato at University College of London, two of the leading economists currently looking at industrial policy and the role of the state in development have been discussing. There are lessons from their views for the agriculture sector.
- Our experience in Ethiopia is that such a Nodal Agency can serve as a key catalyst for agricultural transformation and system change. Bringing new capabilities into the sector through analytics and project management which translate the evidence-based policy making into real actions on the ground such as the EthioSIS digital soil mapping project and the 8028 Farmer Hotline.