

Three green apples are arranged in a cluster, with one in the foreground and two behind it. The apples are bright green and have a small stem at the top. The background is white.

**ALLIANCE FOR
COMMODITY
TRADE IN EASTERN
AND SOUTHERN
AFRICA (ACTESA)**

By: Dr. Angel Elias Daka

Email: adaka@comesa.int

WHAT IS ACTESA ?

ACTESA

(ALLIANCE FOR COMMODITY TRADE IN EASTERN AND SOUTHERN AFRICA)

- Specialized COMESA Agency endorsed by COMESA Authority at last summit in June 2009.

- Currently Housed at COMESA Secretariat



WHY ACTESA?

- **90 % of all Staple Crop Producers are smallholders**
- **Only about 10% produce for the market ; 90% produce for household consumption**
- **50-60% (of the 10% who produce for the market) sell at harvest (only to buy later)**
- **Poor organization of smallholders and no predictable selling mechanisms**

WHY ACTESA ?

- **USD19 billion is spent by COMESA Member States on food imports**
- **USD 3 billion Intra COMESA trade in all agricultural products**
- **Great opportunity for trade**
- **Currently Substantial Food Aid from external sources**

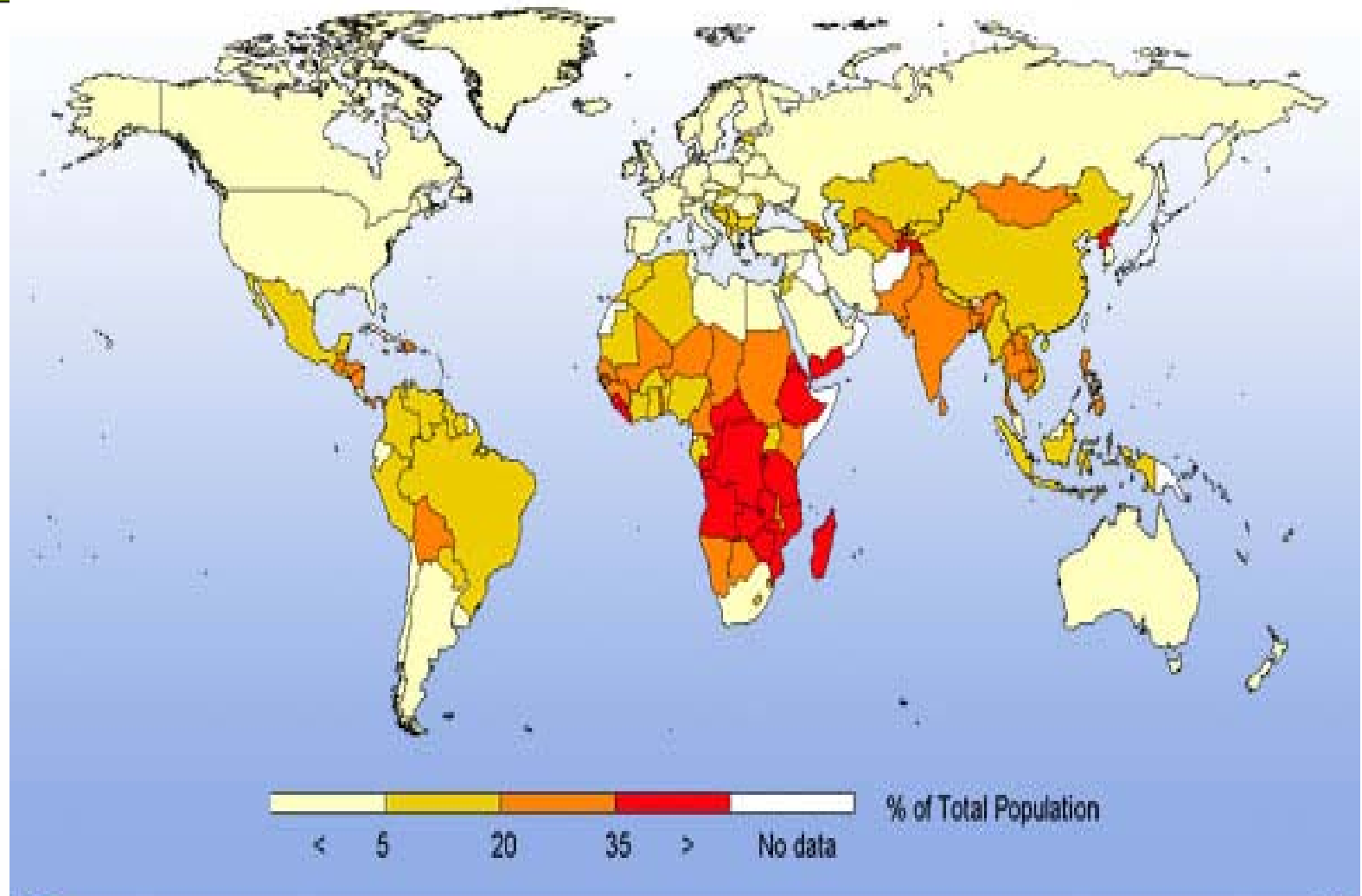


2003, Crop Yields (MT/ha) COMESA vs Global

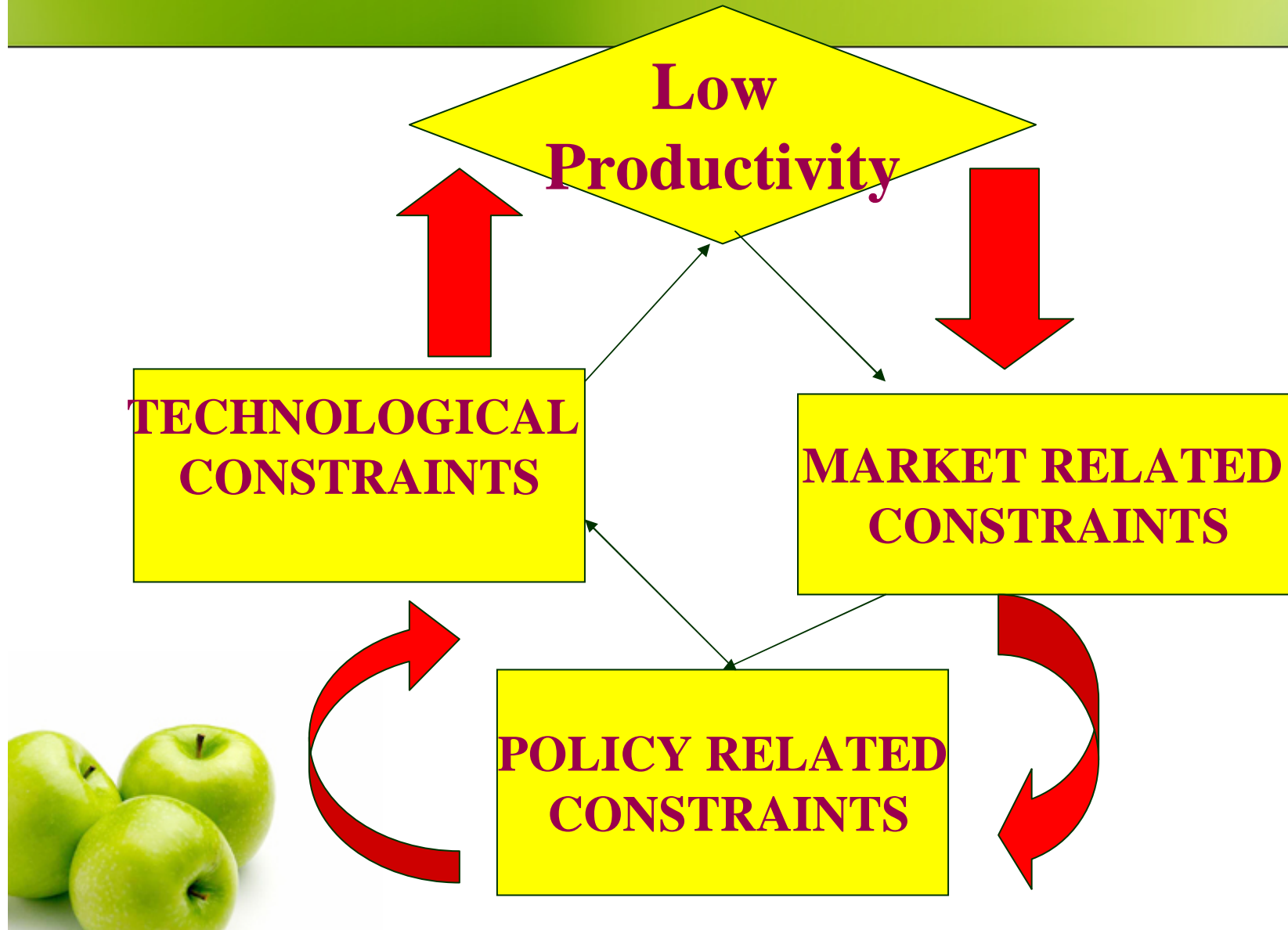
| Crop | COMESA | GLOBAL |
|-----------------------|-------------|--------------|
| Maize | 1.39 | 4.47 |
| Rice | 1.12 | 3.84 |
| Wheat | 1.38 | 2.66 |
| Sorghum | 0.67 | 1.30 |
| Millet | 0.47 | 0.82 |
| Potatoes | 7.46 | 16.45 |
| Sweet Potatoes | 4.29 | 13.49 |
| Cassava | 8.18 | 10.76 |
| Beans | 0.60 | 0.70 |
| Groundnuts | 0.62 | 1.35 |
| Sugar Cane | 4.11 | 65.29 |
| Bananas | 4.69 | 15.25 |



STATUS QUO: RESULTING HUNGER IN THE REGION



COMESA AGRICULTURAL SECTOR CHALLENGES TO BE ADDRESSED BY ACTESA



ACTESA OBJECTIVES

- (i) Competitiveness:** ENHANCED POLICY DIALOGUE: IMPORT/EXPORT BANS, SPS, STANDARDS, SIMPLIFIED TRADE REGIMES IMPLEMENTATION RCA ANALYSIS, METHODOLOGY; ADVOCACY IN COMESA POLICY MEETINGS
- (ii) Services:** TRADE INTEGRATION, FINANCIAL SERVICES, EMERGING WAREHOUSING RECEIPT PROGRAMS, MARKET INFORMATION SYSTEMS, TRANSPORT AND INFRASTRUCTURE, UPSCALE SIMPLIFIED CUSTOM SYSTEMS, EMERGING COMMODITY EXCHANGES, BULKING CENTERS AMONG OTHERS
- (iii) Commercialization:** ENGAGEMENT OF ASSOCIATION DEVELOPMENT (E.G. CASSAVA, BANANAS, ETC), CONTRACT COMPLIANCE TRAINING FULL COMESA TRADE REGIMES TRAINING SUPPORT AND APPEAL MEASURES. LESSONS LEARNT FROM OUR RATES PROGRAMME

Over-arching goal :

To increase farmer productivity and incomes

COMMODITY FOCUS FOR ACTESA

- **Cereals**(maize, sorghum, rice)
- **Grains and pulses,**
- **Oil seeds,**
- **Roots and tubers,**
- **Tree crops**
- **Other key commodity areas such as
Livestock**

**Many of these commodity areas will
be suitable for promotion in a
Warehouse Receipt System**



ACTESA Main Thrusts

- (i) Ensure food aid assistance in the region is development oriented,**
- (ii) Promoting sustainability of food security among target beneficiaries.**
- (iii) Integrating smallholder farmers in national, regional and international markets**
- (iv) Commercialization of smallholder farmers.**

ALLIANCE PARTNERS

- **USAID (Farmer Organization/trade organization support)**
- **DfiD (CAADP/Trade support)**
- **AGRA (Financial leverage support)**
- **WFP (P4P)**



IMPLEMENTATION PARTNERS

- **Agribusinesses**
- **Banks, Microfinance Institutions**
- **Trade Associations (EAGC)**
- **Farmer Organizations (SACAU, EAFF)**
- **Research Entities**
- **Development Partners (USAID, W/BANK, SIDA, DfiD, etc)**
- **ESASA**
- **Private Foundations; CFC**



REGIONAL LINKAGES

- **Market Linkages Program of AGRA**
- **P4P of WFP**
- **GISAMA in COMESA**
- **AAMP in COMESA/EAC/SADC**
- **ESASA**
- **COMPETE**
- **EAGC**
- **SACAU**
- **EAFF; PACT II**

CONCLUSIONS

- **Through Improvements in Market access, Agricultural productivity and policy environment, ACTESA will:**
 - **Commercialize smallholder farmers**
 - **Integrate producers into national, regional and international markets.**
 - **Help the Region achieve food security.**
 - **Capacitate farmers to engage in WRS/ACE.**



Thank You

