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# AFRICA FERTILIZER AND SOIL HEALTH SUMMIT

## CONCEPT NOTE

## I. Context

Africa has experienced a widespread decades-long decline in soil quality of farmland since the early 20th century - a phenomenon that continues today and negatively impacts the agricultural production capacity and food security in the continent. In June 2006, the Heads of State and Governments of the African Union endorsed the Abuja Declaration on Fertilizer for the Africa Green Revolution, a continental strategy to reverse the worrying trend of poor productivity of the African soils. The Declaration focused on key targets required for agricultural growth, food security, and rural development in Africa, with a focus on the role of fertilizers. It recommended raising the use of fertilizers from 8 kg/(nutrients)/ha to 50 kg (nutrients) /ha in 10 years and the establishment of an African Fertilizer Financing Mechanism (AFFM) with the objective of improving agricultural productivity by providing financing required to boost fertilizer use in Africa to achieve the target of 50 kg of nutrients per hectare, as mandated by the Abuja Declaration.

Fifteen years after the Abuja Declaration, Africa's agriculture and food security narrative has evolved significantly. The fertilizer market itself has changed, including the roles that private and public sector actors are playing. Another major change since Abuja, is the increased recognition of the critical role of sustainable soil management. The decline in soil health has hindered the efficiency of fertilizer use and hampered agricultural productivity growth, food security, and environmental sustainability across the continent. As a result, economic growth and well-being—particularly for the rural population, who derive their livelihoods directly from agriculture – in the continent have been hampered. It is therefore, timely to review the state of Africa's soil health to recalibrate the strategies being deployed for boosting the productivity of soils towards higher and sustainable gains in crop yields as well as economic growth and transformation, and overall well-being.

## II. Rationale for Africa Fertilizer and Soil Health Action Plan

Due to decades of continuous soil nutrient mining and the age of the soils, Africa's soils, which are among the oldest, globally, have become the poorest in the world. It is estimated that the continent loses over US$4 billion worth of soil nutrients each year, severely risking Africa's ability

to feed itself. Yet, a broad base of African farmers neither have access to fertilizers nor can they afford inputs needed to add life to their soils to reverse the downward spiral of the degradation of the physical environment.

Over the last 10 years, growth in global consumption of fertilizer has remained below 2% per year; during this period, fertilizer consumption in Africa has consistently maintained an annual growth rate of approximately 8%, and average fertilizer use in Sub-Saharan Africa in 2021 has increased to 18 kg (nutrients) /ha. Several countries have success stories that play a part in this changing narrative. For example, in Nigeria, the private sector has invested over $4 billion in new ammonia/urea plants since 2006. In Kenya, increased investments in distribution networks have resulted in the halving of the distance that smallholder farmers have to travel to purchase fertilizer from 8.7 km in 1997 to 4.9 km in 2014. In Ethiopia, they abandoned 'blanket' fertilizer recommendations and introduced balanced crop nutrition, while quadrupling fertilizer consumption.

Moreover, AFFM, established at the African Development Bank (AfDB), has made significant progress in supporting the fertilizer value chain in a number of countries by putting in place a comprehensive system that facilitates access to quality fertilizers and good agricultural practices by farmers. With the collaboration of different stakeholders, AFFM's two pilot programs in Tanzania and Nigeria enabled the facilitation of credit guarantees to agro dealers and retailers and helped boost sales of agricultural inputs. To date, the total amount mobilized by AFFM amounts to $15.3 million; including contributions from the AfDB, Federal Republic of Nigeria, AGRA and the Federal Republic of Tanzania.

When the first Fertilizer Summit was held, in 2006, most fertilizer markets in Africa were dominated by domestic and international traders with limited incentives to build robust supply channels or provide fertilizers tailored to soil and crop-specific needs. A decade and a half later, there has been a dramatic increase in the utilization of African mineral resources for fertilizer production. Although the majority of this production is exported out of the continent, this should not necessarily be the case for the future. Long-term investments in fertilizer production plants and blending facilities are creating a paradigm shift with a focus on building sustainable and competitive distribution channels and customer (farmer) profitability, versus quick short-term profits. African governments also have more openness to the notion of private sector-led fertilizer markets, and hence a willingness to create a conducive policy and regulatory environment. Thus, Africa's growth in fertilizer consumption combined with converging interests from the public and private sector creates an opportunity to develop a more holistic roadmap that increasingly addresses sustainability issues, including the critical role of soil health.

Despite these encouraging trends, the average amount of fertilizer applied to crops grown in Africa implies that, by and large, African soils continue to degrade due to unsustainable soil management practices, causing nutrient mining and increased soil degradation, and reducing carbon stocks and resilience to climate change and shocks. When soil organic matter decreases, mineral fertilizers become less efficient, leading to a downward spiral in agricultural productivity, with devastating effects on the productive capacity of the soils and on food and nutrition security on the continent.

While many of the building blocks for a solution to the deteriorating soil health in Africa are in place, the overall attention and resources devoted to the course have been fragmented and inadequate. Consequently, the continent-wide decline in soil quality continues unabated - at great cost to Africa and its people, and increasingly at great cost to the World. Reversing this trend has become even more urgent and crucial as global attention has shifted to the potential contribution this could make to raising global levels of carbon sequestration; increasing African soil health is a win-win-win strategy: it will increase African agricultural productivity, gradually off-set large scale food importations and contribute to addressing the global climate crisis.

The challenge, therefore, will be to transition African agriculture from a soil-mining and low-productivity activity towards a highly efficient activity with minimum emissions while avoiding the mistakes of overuse and mismanagement of nutrients made on other continents and achieving this at a pace never seen anywhere else in history. There is a need to move from fertilizer use only, to holistic, sustainable management of soils. Therefore, an African Fertilizer and Soil Health Action Plan is urgently required, with high-impact solutions and investments over a 10-year horizon to accelerate access to fertilizers and sustainable management of soils, reduce the yield gaps and contribute to sustainable agricultural transformation in the context of a changing climate on the continent.

The convening of the Africa Fertilizer and Soil Health Summit and the development of the Soil Initiative for Africa (SIA) and the African Fertilizer and Soil Health Action Plan was first endorsed at the 40$^{th}$ Ordinary Session of the Executive Council, held in Addis Ababa, Ethiopia in February 2022, reference decision (EX.CL/Dec.1144(XL). Since the Summit was not held in 2022/2023, the decision to organize the Summit in 2024 is yet to be endorsed at the 37$^{th}$ Ordinary Session of the Assembly to be held in February 2024 in Addis Ababa, Ethiopia.

## III. Objectives of the Summit

The purpose of the Summit is to bring together all relevant stakeholders to highlight the crucial role of fertilizer and soil health in stimulating sustainable pro-poor productivity growth in African agriculture and to agree on an African Fertilizer and Soil Health Action Plan, as well as the Soil Initiative for Africa.

## IV. Background documents

In order to inform the discussions and deliberations during the summit, the following studies have been commissioned:

I. Mega Trends: Key Trends, Challenges and Opportunities for Agriculture in Africa. Lead – ANAPRI
II. The impacts of African Continental Free Trade Area on fertilizer sector. Lead – FAO
III. Farmer's risks and economic use of fertilizer in Africa. Lead - ANAPRI

IV. Fertilizer policy and regulatory frameworks. Lead – ANAPRI and AFAP
V. The prevalence and cost of soil degradation in Africa: implications and imperative for urgent action. Lead – APNI
VI. Policy directions for incentivizing soil health practices at the country level. Lead – FARA
VII. Promoting sustainable soil management to increase organic resources in farms and landscapes. Lead – FAO
VIII. Financing tools identified to strengthen the supply and improve the availability of inorganic fertilizer. Lead – AFAP, AFFM, EBID
IX. Effectiveness and performances of existing financing schemes in overcoming the fertilizer financing constraints. Lead – AFFM, AFAP
X. Refine the archetypes and create policy guidelines on fertilizer financing, finance archetypes of supply chains. Lead – IFDC, Wallace & Associates
XI. Development of a Monitoring Plan to Track implementation of the AFSH Action Plan. Lead – IFDC
XII. Scoping existing technologies and innovations on effective fertilizer use in the smallholder system. Lead – APNI
XIII. Sectoral issues affecting Soil Health. Lead – APNI, FAO.
XIV. Mechanisms used to finance the fertilizer distribution chain from import to farmer. Lead – AfDB.

The synthesis of the outcomes of these studies will be compiled into a White Paper.

## V. Participants

The Conference is expected to bring together the African Heads of State, high-ranking government officials, senior policy makers, private-sector players and civil society organizations. Other participants will include representatives of farmer organizations and development agencies, including NGOs, scholars and scientists, and representatives of leading donor organizations.

## VI. Structure of the Summit

a. Stakeholder's validation of technical documents (at least 3 weeks to the STC).
b. Steering Technical Committee (STC) on Agriculture, Rural Development, Water and Environment Extraordinary meeting (at least 6 weeks to the Summit)
c. Executive Council meeting.
d. Main Summit.

## VII. Expected Outcomes

It is expected that a 10-year Action Plan, to be endorsed, which will deliver concrete recommendations for steps to be taken by African leaders and stakeholders over the next 10 years. The Action Plan will provide a focus for new policies and investments that will enable farmers to work toward re-building soil health and ultimately increase yield responses and profitability of

fertilizers. It is also expected that the Action Plan will be endorsed by leading private and public sector partners across all African countries, with the following:

1. Nairobi Declaration
2. 10-year Action Plan
3. Soil Initiative for Africa (SIA)