Trade can support climate change mitigation and adaptation in Africa's agricultural sector, new data shows

New report analyzes trade performance amid pressure points from climate change, water use, and carbon emissions, with recommendations for sustainable practices

August 29, KIGALI – The latest Africa Agriculture Trade Monitor (AATM) indicates that intra-African agricultural trade has already reached a new high of US$ 17 billion, finally surpassing its previous 2013 peak, which was reached after a tripling of growth the decade prior. This recent surge, despite the disruptions and aftereffects of COVID-19, must be further accelerated through additional policy and infrastructure support, as well as intra-regional trade facilitation, argue the authors.

Published by AKADEMIYA2063 and the International Food Policy Research Institute (IFPRI), the 2024 AATM explores the complex links between trade and climate change, analyzing carbon emissions associated with the production and transportation of agricultural products, embedded water content in traded agricultural products, and climate stress-induced yield changes in agriculture.

This year's report also examines how trade can mitigate the environmental impacts of economic activities. The authors call for policies to leverage trade in climate adaptation efforts, notably through strategic use of countries' comparative advantages.

"Agriculture is the main channel through which climate change disrupts African economies, but it is also the sector with the biggest potential to lead adaptation to climate change," said **Dr. Ousmane Badiane**, Executive Chairperson at AKADEMIYA2063.

"As shown by the latest AATM, there are numerous opportunities for win-win solutions in climate adaptation and mitigation within the agricultural sector. The report highlights areas for policy interventions to facilitate intra-African trade, drive climate action, and enhance the efficient use of natural resources."

Launched during a hybrid event held in Kigali, the report examines the recent performance of African agricultural trade with a focus on the complex relationships between trade, climate change, and food security, addressing the following key issues:

- **Carbon emissions:** Today, African imports and exports account for a minimal percentage of overall global greenhouse gas (GHG) emissions embodied in global agricultural trade, at only 2.3 and 2.5 percent, respectively. However, as Africa has been experiencing the third-fastest

growth in agricultural exports (after the Americas and Asia) and the second-fastest growth in imports (after Asia) between 2018 and 2022, investing in emissions-saving innovations will become increasingly important.

- **Virtual water:** More intra-African trade could help countries reduce the impact of localized water scarcity by facilitating imports from relatively more water-abundant countries of more water-intensive crops, such as maize, millet, guava, mangoes, beans, and peppers. Relatively water-constrained countries can then focus more on less water-intensive yet nutritionally essential foods such as vegetables. This trade in "virtual water", or the water content embedded in traded agricultural products, should be complemented with infrastructure investments to improve irrigation systems and water management practices.
- **Climate vulnerability**: Africa's comparative advantage in agriculture will be severely affected by climate change, including rising temperatures, increased frequency of extreme events (particularly droughts), plant pests and diseases, and reduced labor productivity. Notably, most agricultural products traded or consumed in Africa appear to be at risk, especially leguminous vegetables, edible nuts, and oilseeds, vegetables, and some fruits, such as apples and bananas. Smart use of countries' comparative advantages by shifting production from environmentally resource-scarce countries to resource-abundant areas can contribute to climate change adaptation and mitigation efforts.

"Stepping up the integration of African food systems through enhanced trade ties can help the continent address some increasingly complex challenges," states **Dr. Johan Swinnen**, Director General of IFPRI. "In a global context marked by more frequent food system shocks and the resurgence of export restrictions, this year's AATM calls for greater resilience via enhanced agricultural trade integration. These recommendations are timely, given the development of the African Union's Post-Malabo Agenda, and should be considered as the African Continental Free Trade Area enters its fifth year in operation."

Additional recommendations from the authors call for governments to accelerate regional integration and increase investment in infrastructure. Key value chains should be strengthened in terms of processing capabilities and technologies, as well as improved capacities and logistics, facilitating producers' adherence to international standards. The prospect of increasing water scarcity can be alleviated by facilitating trade of embedded water in agrifood products between regions with differential water availability.

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About the Africa Agriculture Trade Monitor (AATM)

The AATM contributes to our understanding of African agricultural trade and its relationship with food and nutrition security in several important ways. Unveiled at a formal launch event in Kigali, Rwanda, the 7th edition focuses on the impact of climate change on African agrifood trade patterns. It examines the carbon footprint of agrifood trade, intra-African trade in virtual water, and the fruit and vegetable value chains. The year's report also includes a look at regional trade integration and trade costs in the Economic Community of West African States (ECOWAS).

The AATM is produced and published under the African Growth and Development Policy (AGRODEP) Modeling Consortium and the Regional Strategic Analysis and Knowledge Support System (ReSAKSS) programs as a collaborative effort by AKADEMIYA2063 and IFPRI. The annual flagship report is the only publication dedicated entirely to African agricultural trade and policies. It provides a thorough analysis of Africa's agricultural trade in regional and global markets and selected value chains using high-quality statistics relevant to the sector. The publication builds on the work of both organizations in support of the Comprehensive Africa Agriculture Development Programme (CAADP) and Africa's broader development agenda.

About AKADEMIYA2063

AKADEMIYA2063 is a pan-African non-profit research organization with headquarters in Kigali, Rwanda and a regional office in Dakar, Senegal. Inspired by the ambitions of the African Union's Agenda 2063 and grounded in the recognition of the central importance of strong knowledge and evidence-based systems, the vision of AKADEMIYA2063 is an Africa with the expertise we need for the Africa we want. This expertise must be responsive to the continent's needs for data and analysis to ensure high-quality policy design and execution. Inclusive, evidence-informed policymaking is key to meeting the continent's development aspirations, creating wealth, and improving livelihoods.

AKADEMIYA2063's overall mission is to create, across Africa and led from its headquarters in Rwanda, state-of-the-art technical capacities to support the efforts by the Member States of the African Union to achieve the key goals of Agenda 2063 of transforming national economies to boost economic growth and prosperity.

Following from its vision and mission, the main goal of AKADEMIYA2063 is to help meet Africa's needs at the continental, regional and national levels in terms of data, analytics, and mutual learning for the effective implementation of Agenda 2063 and the realization of its outcomes by a critical mass of countries. AKADEMIYA2063 strives to meet its goals through programs organized under five strategic areas—policy innovation, knowledge systems, capacity creation and deployment, operational support, and data management, digital products, and technology—as well as innovative partnerships and outreach activities. For more information, visit akademiya2063.org.

About IFPRI

The International Food Policy Research Institute (IFPRI), a CGIAR Research Center established in 1975, provides research-based policy solutions to sustainably reduce poverty and end hunger and malnutrition. IFPRI's strategic research aims to foster a climate-resilient and sustainable food supply;

promote healthy diets and nutrition for all; build inclusive and efficient markets, trade systems, and food industries; transform agricultural and rural economies; and strengthen institutions and governance. The Institute's regional and country programs play a critical role in responding to demand for food policy research and in delivering holistic support for country-led development. For more information, visit the global website at www.ifpri.org and the regional website at https://www.ifpri.org/division/africa-region-afr.