



Partnership
for Aflatoxin
Control in Africa

Partenariat pour
la lutte contre
l'aflatoxine en Afrique

Parceria para o
Controle da
Aflatoxina em África

الشراكة من أجل مكافحة
الافلاتوكسين في أفريقيا



Summary Report and Key Recommendations of the AUC-PACA and CTA Roundtable Side Event on *Engaging the Private Sector for Aflatoxin Control in Africa*

October 11 2016, Entebbe, Uganda

1. Background

Aflatoxins thwart Africa's efforts at achieving food security, improving nutrition and health outcomes and attaining agricultural-led economic growth. These highly toxic fungal metabolites produced by certain strains of *Aspergillus flavus* and related *Aspergillus* species pose major risks to human health and intra-regional and international trade. A 2015 study commissioned by the Technical Centre for Agricultural and Rural Cooperation ACP-EU (CTA) in conjunction with the Partnership for Aflatoxin Control in Africa (PACA) and led by Professor Sheila Okoth, University of Nairobi, identified the challenges of aflatoxin contamination in major commodities in Africa. Contamination has been reported in fresh and processed cereal products - maize as well as barley, millet, rice, sorghum, teff and related products; nuts, mainly peanuts and peanut butter; oilseeds - cotton and sesame seeds and the oils; root crops, mainly cassava; and livestock products, mainly milk and in animal feed. The study also highlighted that exposure to aflatoxin contamination is ubiquitous across countries and the most impacted are children and pregnant women. The implications for ensuring the quality and safety of diverse foods and feeds of African origin that are sold on the local, regional and international markets are grave.

It is estimated that the African continent loses USD 450 – 670 million annually in export earnings due to aflatoxins. Data on monetary losses in local and regional markets are more difficult to access as well as the economic costs in managing health and nutrition-related problems. This major loss of income (actual and under-estimated and under-reported) contributes to persistent poverty, food insecurity and malnutrition. Africa cannot continue to sustain such losses. The difficulty African producers, traders and manufactures face in sourcing quality raw materials and producing high quality products, both fresh and processed, that meet local, regional and international standards for aflatoxin levels certainly hampers agribusiness development, job creation and economic growth.

There is no silver bullet for effectively containing aflatoxins, nor can a single actor comprehensively address this complex challenge. Evidently, if aflatoxin contamination in the major commodity value chains is not comprehensively addressed, the risks to human health and trade will continue to be untenable. This requires joint public and private investment to support joined-up action as well as industry policy research and education to achieve greater impact in controlling aflatoxin levels in food and feed. A multi-actor, multi-pronged approach is needed from farm to fork; pre-production to postharvest, marketing and distribution supported by an enabling policy, regulatory and institutional framework (including laboratory infrastructure) and adequate financial and trained human resources.

In recent years what has emerged is a willingness of the private sector, including farmers' organizations and industry leaders, to take ownership and drive initiatives that can bring about significant changes that benefit agro-industry development associated with the major commodities that are impacted. For example, in Kenya, the Cereal Millers' Association has started a process of self-regulation and had developed alliances with farmers, policymakers and the academic and research community (local, regional and international). In Haiti, Meds & Food for Kids (MFK) has developed and implemented a successful programme which links farmers (building their capacity in good agricultural practices) with academia and research (e.g. high performing varieties, seed spacing, and foliar disease control) and input providers and processors (value addition and markets); as such, agri-entrepreneurs (e.g. farmers, processors, traders), consumers, and academia have benefited. Another good example is the Nestlé's Reduction of Contaminants in Grains Programme in Western Africa where through working directly with farmers and collaborating with the Ministries of Agriculture, national and international agricultural institutions, local universities and NGOs, they have been able to achieve significant reduction of mycotoxins in grains. In 2007, the rejection of locally acquired maize at the factory gate in Ghana and Nigeria was 50%. By 2013, after working with farmers on establishing good agricultural practices and post-harvest management, the rejection rate was reduced to 4 %. It is important to note that the accepted limit for total aflatoxins in maize grains at Nestlé's factory gate is 4 µg/kg.

PACA and CTA recognize the competencies, commitment and ingenuity of the private sector for establishing meaningful alliances for scaling-up and scaling-out of innovative aflatoxin control approaches including technologies and for joint implementation of actions that can ensure sustainability at the grass roots level. The PACA mid-term strategic plan identifies concrete areas of collaboration with the private sector, and CTA has adopted a private sector engagement strategy in order to build positive concrete links between public and private entities. Both organizations are cognizant of the need to better understand the motivations, needs and capabilities of the private sector in controlling

aflatoxins and building successful partnerships with them for increasing impact of joint interventions on improving agribusiness, trade and nutrition and health outcomes.

2. Challenges, Opportunities and Possible Areas of Collaboration

Although some efforts are being made to engage the private sector, a lot more needs to be done. PACA and CTA have come together to accelerate concrete collaboration with the Private Sector in order to increase Private Sector / Industry-Led, Market Driven, Integrated Public Private Producer Partnership (PPPPs) to address the aflatoxin challenge in Africa. Central to engaging the Private Sector is one principle – the need for targeted partnerships focusing on interventions critical for assuring the integrity of the food system in the provision of quality and safe food and feed and that commercial interests are fully realized in an ethical manner and consumer confidence is improved.

3. Objectives

PACA and CTA convened the Roundtable side event on the margins of the PACA Partnership Platform meeting in Entebbe, Uganda on 11 October 2016 with the following objectives:

- Discuss good practice as well as the needs of the private sector in ensuring acceptable aflatoxin levels in foods and feed;
- Validate the relevance of private sector leadership in aflatoxin mitigation and an aflatoxin control private sector engagement strategy;
- Identify leverage points, signature projects and evaluation criteria for effective private sector-led aflatoxin mitigation;
- Develop guidelines for a knowledge and communication strategy for assuring aflatoxin safe food to include accredited laboratory facilities; good practice; resistant varieties; and emerging technologies in collaboration with the private sector.

4. Summary of the Roundtable Discussions

The Roundtable targeted CEOs, program managers, and other leaders from groundnut/grain/chilli/coffee producers, millers, traders and processors, input and equipment suppliers, technical and financial service providers, and development partners across Africa and beyond. There were seven catalytic interventions featuring success stories from the private sector and the enabling environment which were followed by discussion. Over 35 participants attended the side event. A summary of the Roundtable discussions, recommendations, key actions and next steps are presented below.

4.1 Private sector concerns/ challenges

The main concerns of the private sector with respect to addressing the aflatoxin challenge are:

- Reputational damage;
- Limited availability of clean quality produce (e.g Kenya needs 40 million bags - 90kg each of maize, annually);
- Not only producers and processors of maize and groundnut are impacted but those involved in other commodity chains, including chillies, coffee, dairy, pigeon peas, animal feeds, and the provision of services such as financial institutions and input suppliers;
- There is no price differentiation, added value or incentives for producing 'aflatoxin free/safe' produce (inadequate enforcement of standards for the domestic market, inhibits grading and rejected produce can be sold in the informal market);
- Seasonal variations in prices;
- Lack of a level playing field as formal and informal sectors operate in same space;
- Lack of standards for aflatoxins (seen as a low government priority) in some countries. Maximum limits are the same for humans and for animals;
- Absence of border checks/control;
- High cost for disposal / destruction of rejected containers;
- High rejection rates (40-95% and the corresponding cost implications);
- High cost of testing (e.g. 350 – 450 shillings per tonne depending on the season);
- Inability to repay loans – high losses to financial institutions;
- Little or no return on investments (a disincentive) for accessing modern technologies e.g testing equipment, harvesting and sorting technologies, storage facilities are needed and at affordable costs;
- Accessing reputable technical service providers at affordable prices (laboratory, technical advice, etc.);
- Possible changes in microflora because of climate change and need for data.

4.2 Private sector responses to challenges

Several interesting case studies/success stories were presented which demonstrated how the private sector has been dealing with the aflatoxin challenge. These include:

- Self-regulation (could not wait on governments) e.g. CMA, MFK, Nestle;
- Adoption of internal standards which are in some cases stricter than national and international norms;
- Private sector driven model – Input credits, higher prices for quality produce;
- Adoption of a farm to fork approach (train and support and test through the chain) to train farmers in good agricultural practices. For example, using the Farmer Field School methodology and conducting aflatoxin testing on site (Romer Agrastrip, Mobile Assay, traceability protocol);

- Establishing joint ventures with major research facilities (e.g. BeCA-ILRI Hub, PMIL, universities – compliance testing, sampling; APTECA – proficiency testing);
- Forming alliances with other private sector actors and producer groups;
- Investing in capacity building of staff and infrastructural development.

Through these initiatives they were able to derive **certain benefits** -

- (a) Reduce rejection rates; (b) stay in business, (c) meet consumer demands, (d) increase brand/quality recognition, (e) achieve growth in market share

4.3 Recommendations

The roundtable recommendations include:

- Promotion and adoption of a coordinated approach across the value chain – from farm to fork;
- Improving the collection and reporting of data on economic losses to better engage policymakers;
- Creating greater consumer awareness and demand for safe food without creating panic – consumer awareness campaigns;
- Building / strengthening private sector alliances within country and across regions
- Promoting and adopting self-regulation even in informal sector;
- Lobbying governments to prioritize setting standards for aflatoxin limits on food and feed to increase confidence;
- Encouraging research and product development for using rejected produce;
- Encouraging research for determining the effectiveness of new technologies (e.g. AFLASAFE) and monitor environmental impacts;
- Encouraging research on effectiveness of traditional practices;
- Encouraging research on changing microflora under climate change;
- Promoting the adoption of packaging and storage technologies and use of customized containers for shipping and cross-border transport which can maintain quality during storage for long periods;
- Providing / accessing ‘quick-win’ incentives / subsidies for producers and processors to increase technology uptake and innovation in the value chain;
- Being sensitive of governments’ reasons / reluctance to developing and enforcing standards and need for not creating unnecessary panic among consumers;
- Ensuring there is alignment of sampling and testing protocols with international standards/best practices to increase level of confidence (consumers and in overseas markets).

4.4 Actions

The following are proposals for the key elements of a private sector engagement strategy and around which key actions will be designed and implemented. It will be led by the private sector.

1. Mobilize matching grant schemes for increasing access to technologies and services to support innovation.
2. Build alliances with consumer groups to create awareness and demand for safe quality foods without creating panic.
3. Build alliances with farmer groups/associations/cooperatives scaling-up the adoption of GAP and collective sourcing as incentives for premium prices.
4. Lobby government for incentives to support innovation and improved implementation of existing regulation for informal and commercial sectors and for updating regulations for food and feed.

4.5 Next Steps

To establish a working committee to elaborate the plan, key action areas and milestones. The Core group of members based on representation at the Side Event include; AAIN, Cereal Millers' Association (Paloma Fernandes, CEO), CTA, GrainPro, MFK, Nestlé, PACA, University of Nairobi, WARESA.