



# African Agriculture: From Meeting Needs To Creating Wealth

Tunis, November 2011  
Revised Edition



# FOOD FOR THOUGHT

**2.4 billion more people to feed by 2050**

**One tractor per 320 people economically active in agriculture**

**79% of Africa's arable land remains uncultivated**

**1.2 billion more African citizens by 2050**

**27 African countries have signed CAADP compacts**

**Annual post-harvest grain losses in sub-Saharan Africa average \$4 billion**

**15,500 litres of water are required to produce 1kg of beef**

**40% of the unemployed in Africa are young people**

**16% of Africa's land is arable, the largest share in the world**

**Rate of youth inactivity is 62% in North Africa and 42% in sub-Saharan Africa**

**The Congo basin is shared by 11 countries and discharges 40,000 m<sup>3</sup> of water into the Atlantic Ocean every second**

**Only nine African countries have reached the Maputo target**

**Biofuel production could require 35 million hectares of land by 2030**

**Population of 30 African countries will more than double by 2050**

**Half the population on every continent will be living in cities by 2050**

**3.5 million more tractors are needed to put Africa on a par with other regions**

**227 million hectares of developing countries' land has been sold, leased or licensed since 2001**

**It takes eight times more water to produce coffee than tea**

**Nine of the top 20 economies in the world also feature in the 10 countries with largest agricultural output**

**Africa's transboundary river basins contain 93% of its total surface water resources**

**Global production of ethanol more than tripled between 2000 and 2010**

**It takes one litre of water to grow one calorie of food**

**World's top five agribusinesses have a combined turnover of \$285 billion, equal to the GDP of Columbia**

**Women grow 80% - 90% of the food in sub-Saharan Africa but own less than 2% of all land**

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A large range of sources have been used in the creation of this document - see References at the end of the report. Where significant amounts of data have been drawn from a single source, citations are provided as footnotes.

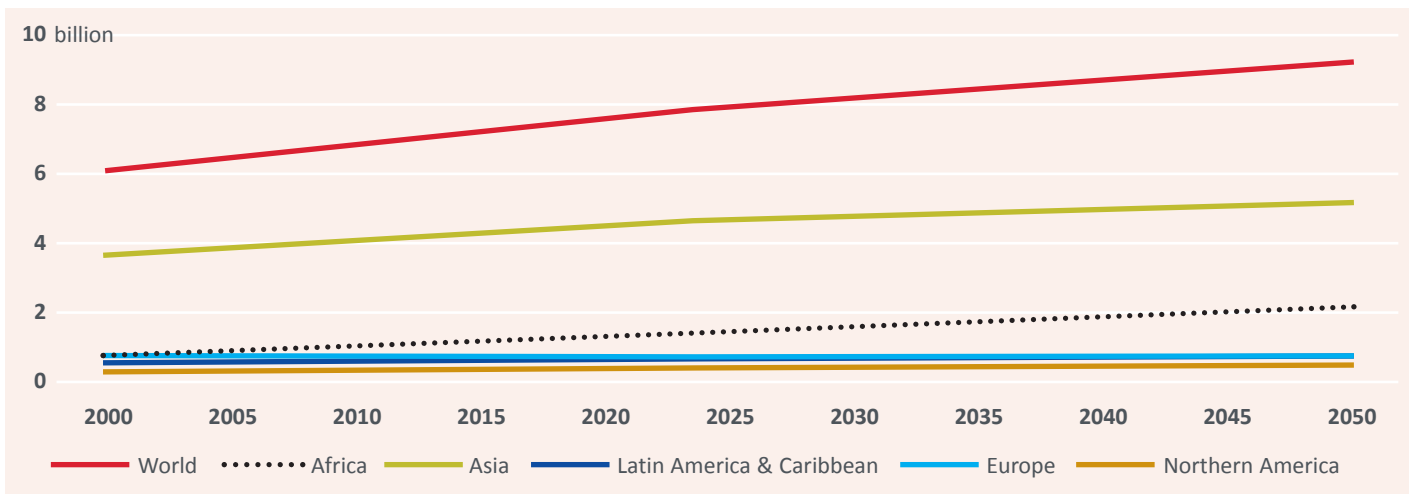
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## MORE PEOPLE TO FEED

### FROM 2000 TO 2050: 2.4 BILLION MORE PEOPLE

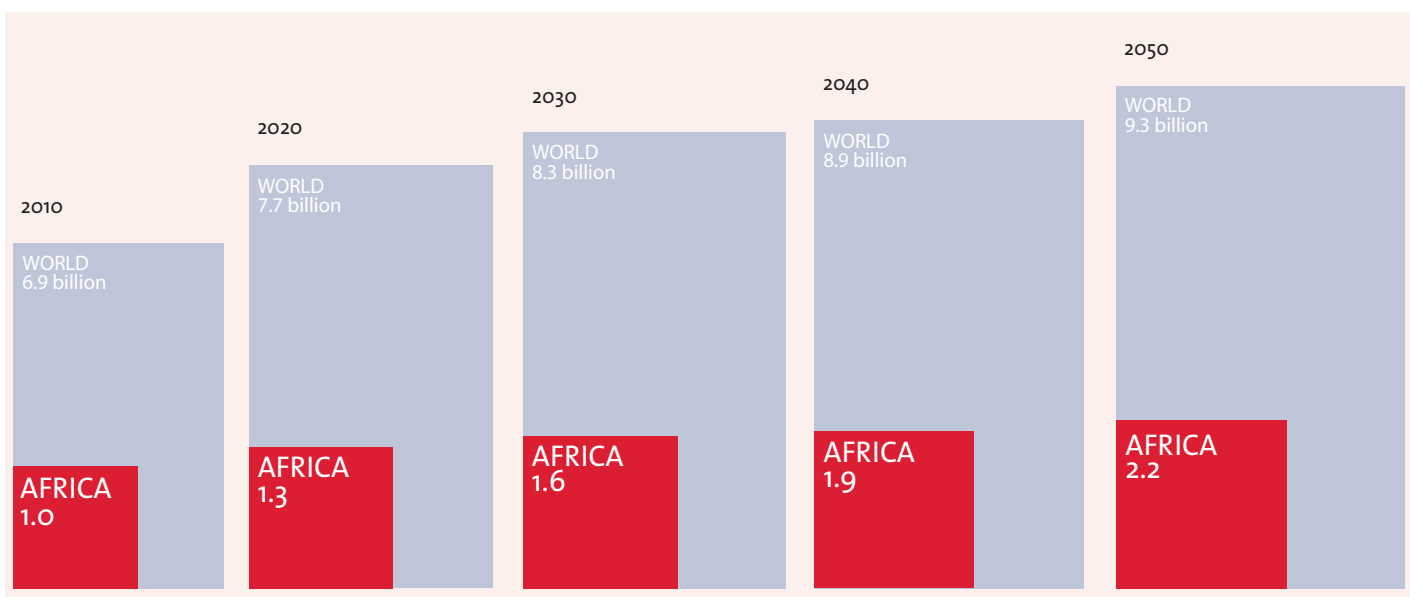
**Global Population Growth**



**Projected Population Change (%)**

	2000-2010	2010-2020	2020-2030	2030-2040	2040-2050
World	12.6	11.0	8.7	6.6	4.9
Africa	26.0	25.0	22.2	19.7	17.2
Asia	12.0	9.6	6.6	4.0	1.6
Latin America & Caribbean	13.2	10.5	7.6	4.7	2.2
Europe	1.6	0.8	-0.4	-1.3	-1.7
Northern America	10.0	8.7	7.3	5.9	5.0

**Population Growth 2010-2050**



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Source: UN, World Population Prospects: The 2010 Revision

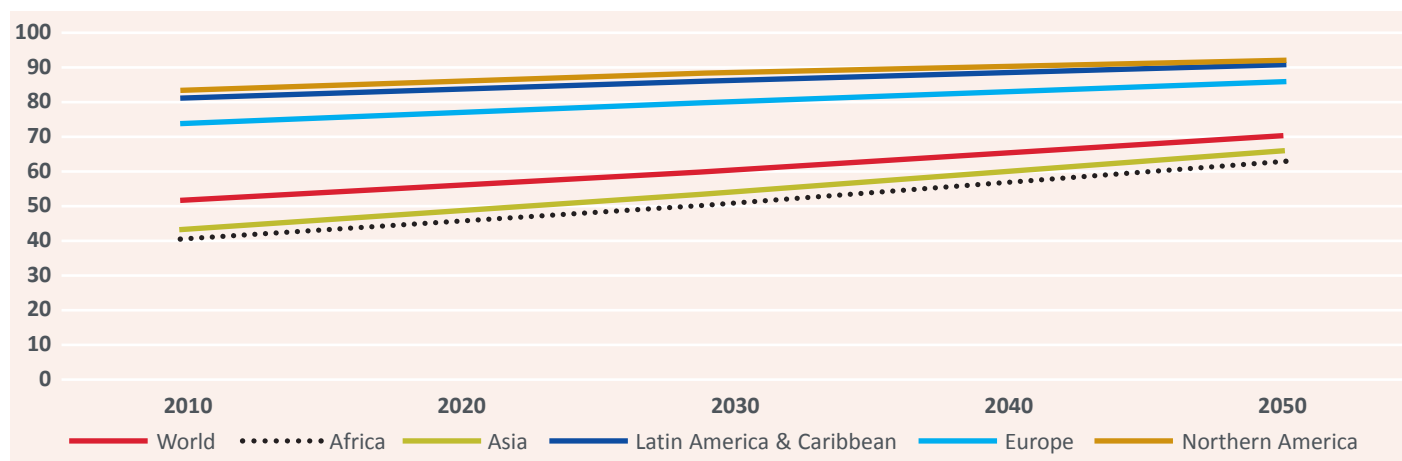
## MORE PEOPLE LIVING IN CITIES

### BY 2050: HALF THE POPULATION ON EVERY CONTINENT WILL BE LIVING IN CITIES

Urbanisation brings major changes in demand for agricultural and food products. Urban expansion requires more food to be transported and distributed within cities and increases demand for water.

- The rate of global urbanisation is expected to increase to 70% by 2050.
- Africa and Asia are projected to experience the largest growth in their urban populations.

#### Urban Population as % of Total Population



Source: UN, World Population Prospects: The 2010 Revision

- Between 2010 and 2025, 16 of the top 20 fastest growing cities in the world will be in Africa.
- The population of five of the fastest growing cities will double.

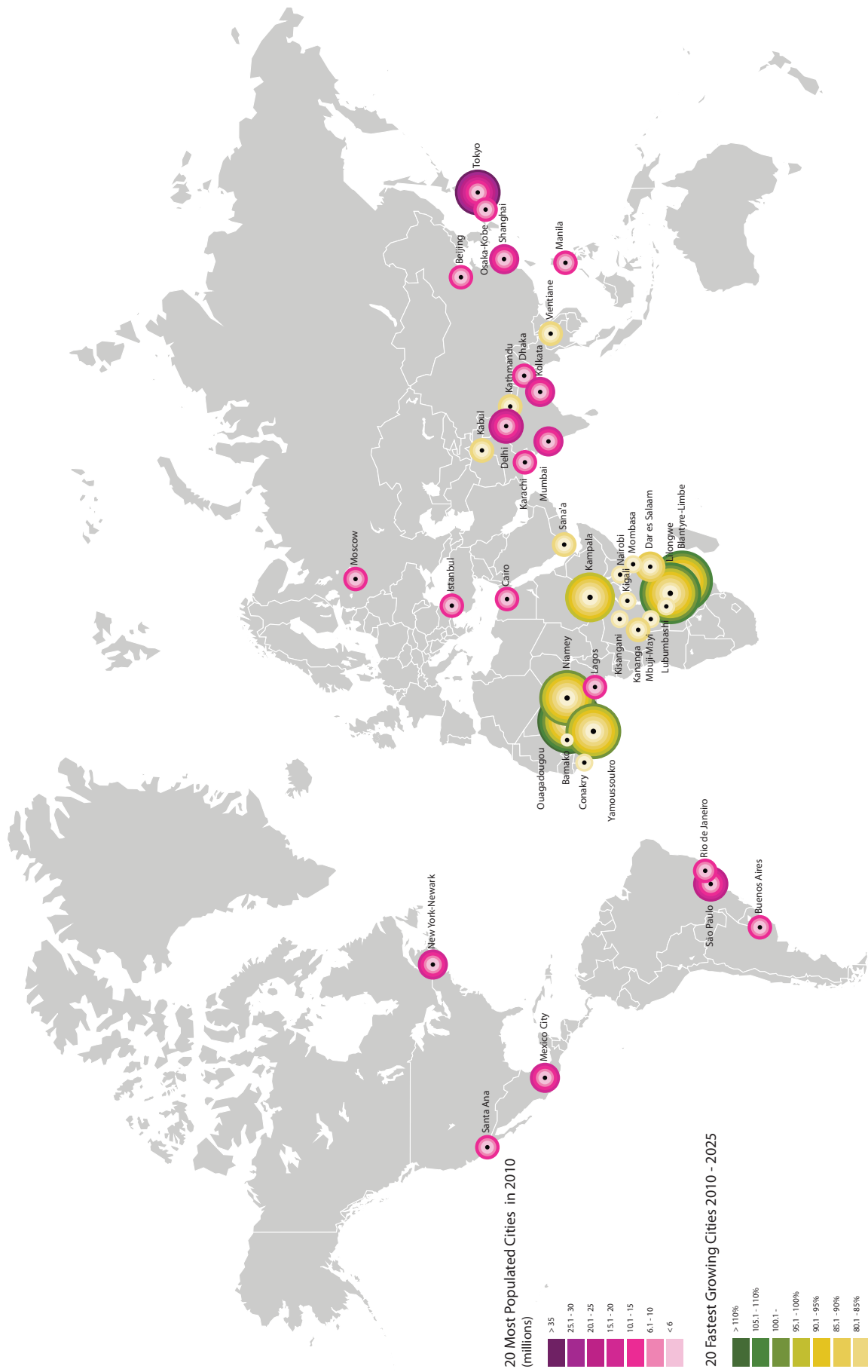
#### Biggest Cities in the World

20 Most Populated Cities in 2010		20 Fastest Growing Cities* 2010 - 2025	
City	Population (millions)	City	% change
Tokyo	36.7	Ouagadougou	127.1
Delhi	22.2	Lilongwe	106.4
São Paulo	20.3	Blantyre-Limbe	106.2
Mumbai	20.0	Yamoussoukro	103.0
Mexico City	19.5	Niamey	101.0
New York-Newark	19.4	Kampala	99.5
Shanghai	16.6	Dar es Salaam	85.2
Kolkata	15.6	Kathmandu	84.7
Dhaka	14.6	Kabul	84.6
Karachi	13.1	Sana'a	83.4
Buenos Aires	13.1	Vientiane	80.6
Los Angeles-Long Beach-Santa Ana	12.8	Kananga	80.3
Beijing	12.4	Kigali	79.9
Rio de Janeiro	11.9	Kisangani	79.8
Manila	11.6	Mombasa	79.0
Osaka-Kobe	11.3	Mbuji-Mayi	78.6
Cairo	11.0	Lubumbashi	77.8
Lagos	10.6	Nairobi	77.3
Moscow	10.5	Conakry	75.8
Istanbul	10.5	Bamako	74.9

\* Only cities with population above 750,000 are considered.

Source: UN, World Urbanisation Prospects: The 2009 Revision

**BIGGEST AND FASTEST GROWING CITIES**

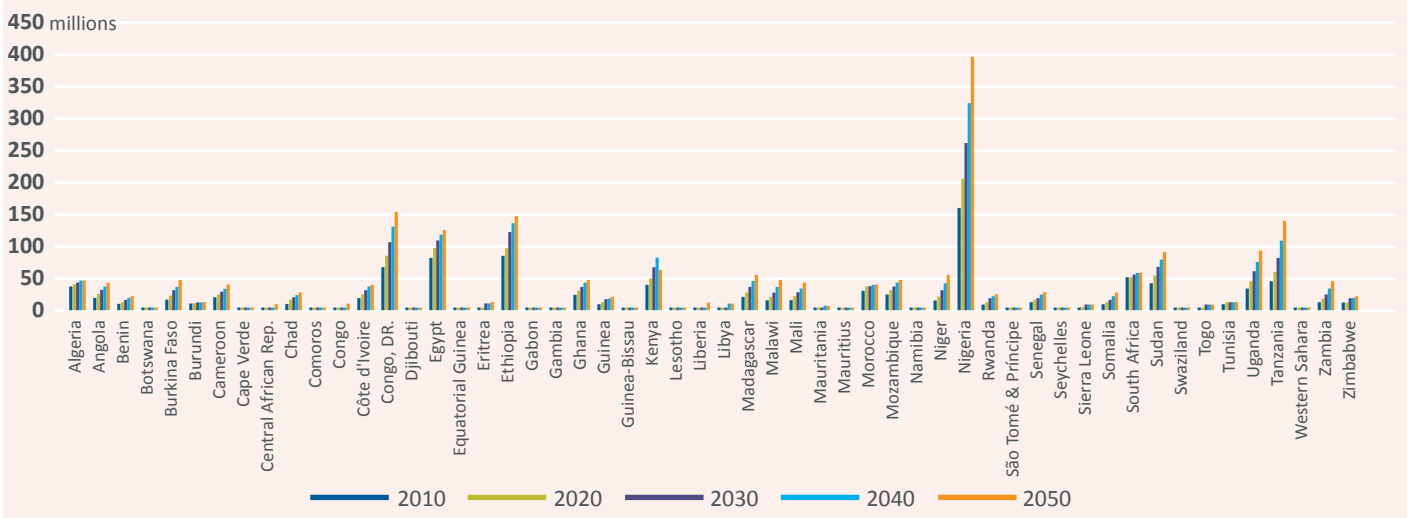


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 Source: UN Population Division, World Urbanisation Prospects, The 2009 Revision

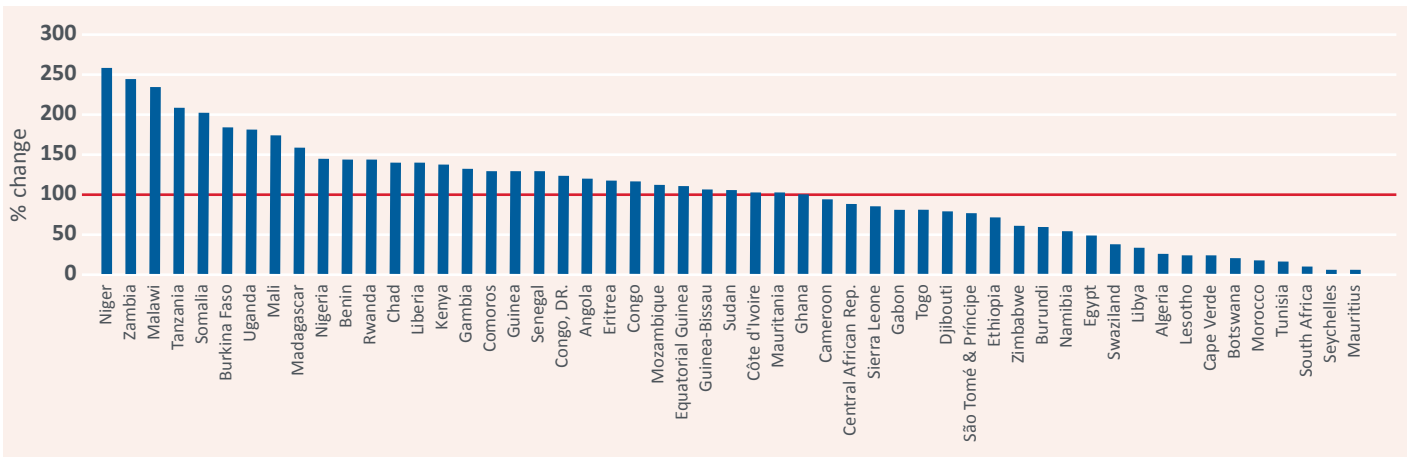
WHAT'S IN STORE FOR AFRICA?

BETWEEN 2010 AND 2050

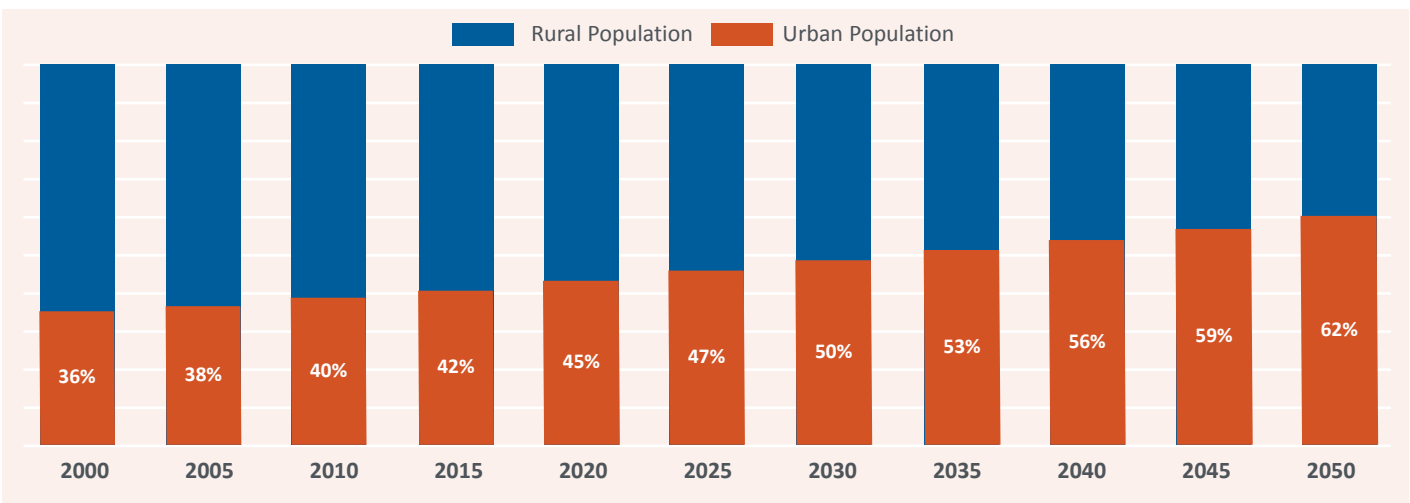
1.2 Billion More African Citizens



30 African Countries Will More Than Double Their Populations



Half Of Africa's Population Will Be Living In Cities By 2030



Sources: UN, World Population Prospects: The 2010 Revision and WDI

## MORE MONEY FOR FOOD?

Purchasing power has increased since 1990, with growing middle classes in emerging economies.

In Africa, GDP per capita has been growing steadily since 2000. In 2000 about 59 million African households earned at least \$5,000, the point at which families begin to spend half of their income on non-food items.

With increasing numbers of Africans living in urban areas, the number of households with discretionary income is projected to increase by 50% to 128 million over the next decade.

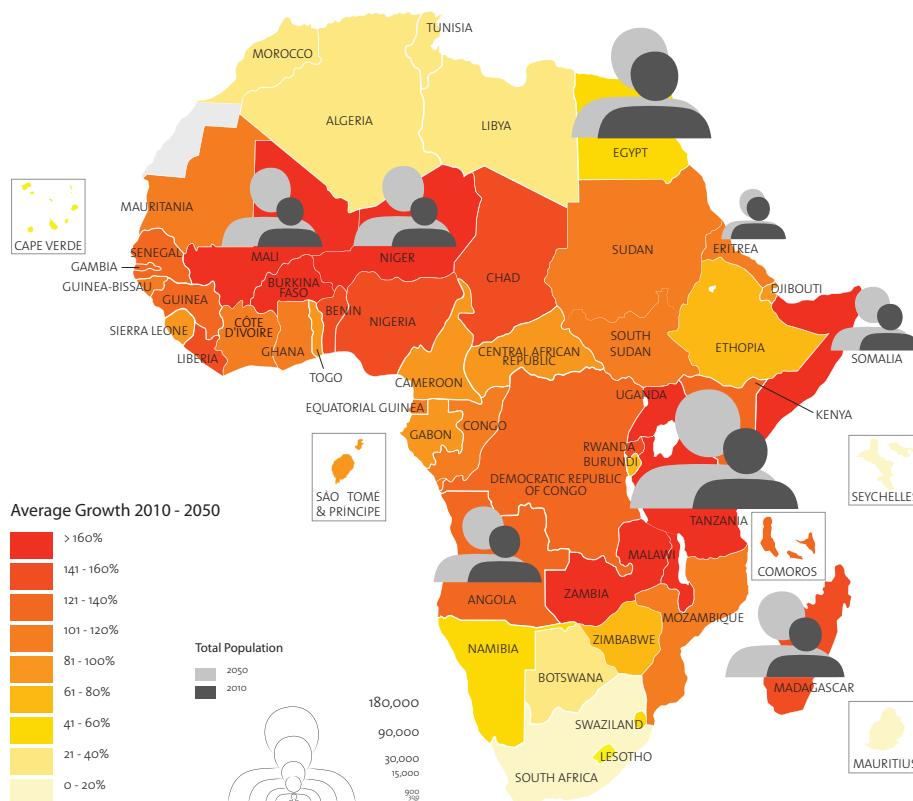
By 2030, 18 African cities could have a combined spending power of \$1.3 trillion<sup>1</sup>.

### Countries Showing Consistent Growth in Annual GDP per Capita (%)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Sierra Leone	13.8	21.8	4.1	2.7	3.0	3.8	3.5	3.0	0.9	2.7
Mozambique	9.0	5.9	3.2	5.1	5.7	6.0	4.7	4.3	4.0	4.8
Cape Verde	2.0	2.8	4.5	-2.1	10.4	8.9	7.6	5.3	2.7	4.5
Tanzania	3.3	4.4	4.0	5.0	4.5	3.8	4.1	4.4	3.0	3.9
Nigeria	0.6	-0.9	7.6	7.9	2.8	3.6	3.8	3.4	4.4	5.2
São Tomé & Príncipe	.	9.8	3.8	5.0	4.1	5.1	4.4	4.2	2.3	2.7
Uganda	1.9	5.3	3.1	3.4	2.9	7.2	4.9	5.2	3.8	1.9
Tunisia	3.7	0.5	4.9	5.1	3.0	4.6	5.3	3.6	2.0	2.6
Morocco	6.2	2.1	5.1	3.6	1.9	6.6	1.6	4.5	3.9	2.2
Egypt	1.7	0.5	1.3	2.2	2.6	4.9	5.2	5.3	5.3	3.4
Ghana	1.5	2.0	2.7	3.1	3.4	3.9	3.9	5.9	2.2	4.1
Zambia	2.4	0.9	2.7	3.0	2.9	3.6	3.5	2.9	3.5	5.9
Mali	8.8	1.0	4.2	-1.0	2.8	2.1	1.1	1.8	1.3	1.4
<b>WORLD</b>										<b>3.1</b>

Source: EIU CountryData

### Africa's Population Growth 2010-2050



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Source: United Nations, World Population Prospects: The 2010 Revision.

1 McKinsey Global Institute, 2010



## TOWARDS SECURE FOOD?

Food security exists “when all people at all times have access to sufficient, safe, nutritious food to maintain a healthy and active life”<sup>2</sup>.

It encompasses:

- Food availability: **sufficient quantities** of food available on a consistent basis.
- Food access: **sufficient resources** to obtain appropriate food for a nutritious diet.
- Food use: **appropriate use** based on knowledge of basic nutrition and care, as well as adequate water and sanitation.

## EATING ENOUGH?

### Hunger

- There are **925 million undernourished people** in the world, equivalent to the population of Africa or the population of North America and Europe combined. 240 million of them live in sub-Saharan Africa.
- Five million children under five die each year from undernutrition.
- One in four children - approximately 146 million - in developing countries are underweight.
- **The cost of hunger to developing nations is estimated to be \$450 billion per year.**
- In Africa the greatest levels of hunger are found in Burundi, Chad, Democratic Republic of Congo and Eritrea: more than half of the populations of these four countries are undernourished<sup>3</sup>.
- Between 1990 and 2010, Democratic Republic of Congo has experienced the greatest deterioration in food security. Three out of four of its population are now undernourished<sup>3</sup>.
- In Burundi, Ethiopia, Madagascar, Malawi and Rwanda, more than half of children are stunted (low height for their age).
- Angola, Ethiopia, Ghana and Mozambique have made the most absolute progress in Global Hunger Indices between 1990 and 2010.

### Focus: How Many Hungry People?

**In 2010 the World had** 6.9 billion people, 3.5 billion city dwellers and over 900 million hungry people... Africa had 1 billion people, 400 million city dwellers and over 240 million hungry...

**In 2050 the World will have** 2.4 billion more people, 2.8 billion more city dwellers...How many more hungry? Africa will have 1.2 billion more people, approximately 800 million more city dwellers...How many more hungry?

## EATING WELL?

### Malnutrition

Good nutrition requires more than having enough to eat. This means:

- Knowledge of basic nutrition.
- Essential nutrients in appropriate amounts.
- Equitable access to nutritious foods.
- Malnutrition during the first 1000 days of life is largely irreversible.
- **Child malnutrition leads to poor growth, poor physical and mental development and increased morbidity.**
- Iron deficiency affects an estimated two billion people. **Eradicating iron deficiency can improve productivity levels by as much as 20%.**
- **Iodine deficiency is the greatest single cause of mental retardation and brain damage**, affecting 1.9 billion people. It can easily and cheaply be prevented by adding iodine to salt.
- **Malnutrition is a major contributor to the burden and cost of diseases.**
- Malnutrition worsens the cases of people affected by HIV/AIDS, tuberculosis and malaria.
- Non-Communicable Disease (NCD) deaths are projected to increase by 15% between 2010 and 2020, with the greatest increases in Africa. NCDs are estimated to cause more than 3.9 million deaths in Africa by 2020.
- The prevalence of raised blood pressure is highest in Africa, 46% for both sexes combined.
- **Obesity is a growing disease in Africa, in line with HIV and malnutrition.** Malnutrition and obesity can co-exist at the same time and in the same country.
  - In South Africa, ⅓ of men and more than ⅓ of women are overweight or obese.
  - In Morocco 40% of the population are overweight and in Kenya 12%.
- **Somalia has the 12th highest number of cardiovascular disease deaths in the world**, 601 per 100,000 population. **Sudan and Egypt** are ranked 16th and 18th respectively.
- **Type II diabetes is becoming increasingly prevalent and concerning in Africa. In 2009 17% of the population (20-79) of Mauritius had diabetes, the highest proportion in the world.**

<sup>2</sup> World Food Summit, 1996

<sup>3</sup> Measured by the Global Hunger Index

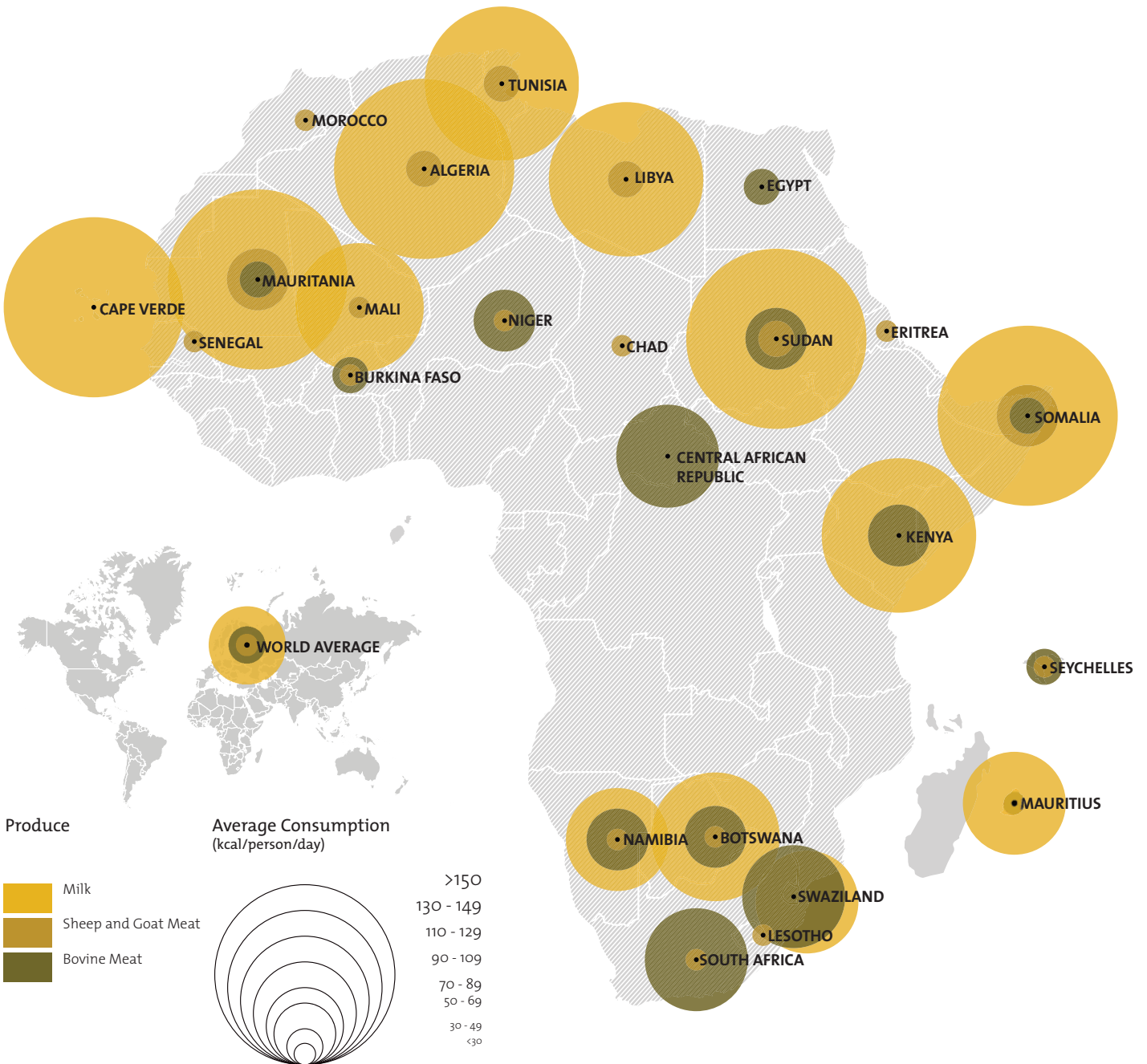
## CHANGING NUTRITION MODELS

- Increased wealth and purchasing power implies increased demand for meat, chicken, fruit and vegetables.
- Increased urbanisation implies increased demand for convenience and fast foods that are high in fat, low in sugar and nutritious value.

## MEAT AND DAIRY: NOT NECESSARILY A SIGN OF WEALTH

- 13 African countries consume more bovine meat than the world average.
- 19 African countries consume more sheep and goat meat than the world average.
- 13 African countries consume more milk than the world average.

Average Daily Consumption (kcal/person/day)



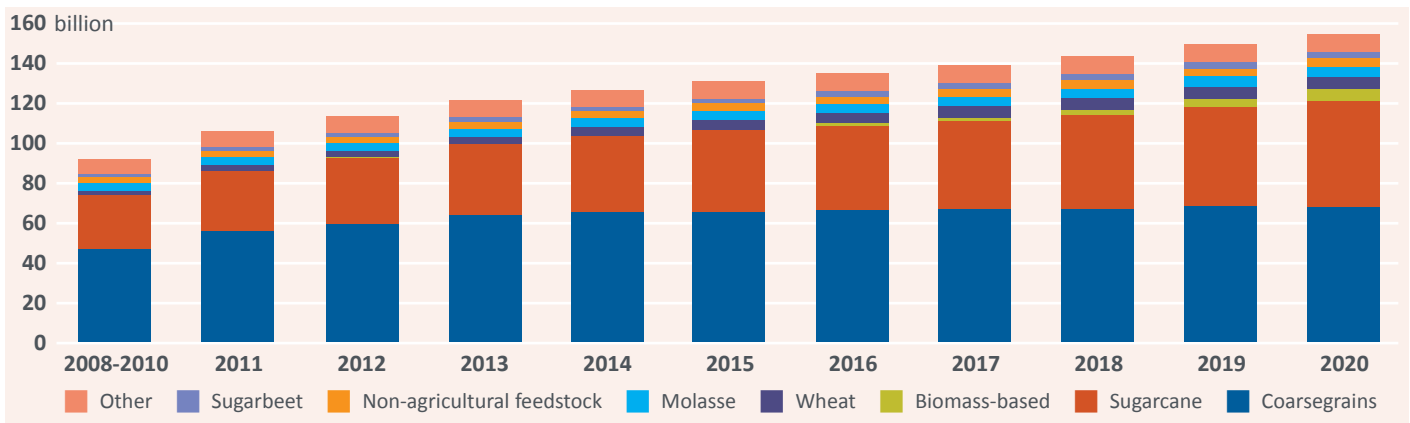
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Source: FAO Statistical Yearbook. Data are for 2008.

## CONFLICTING DEMANDS

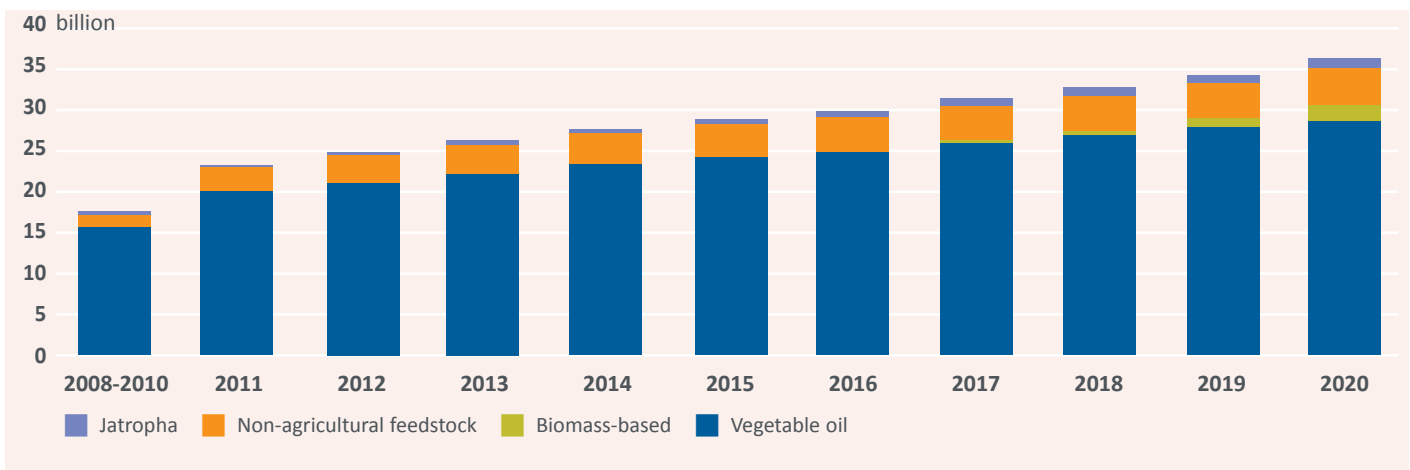
### BIOFUELS

- The global biofuel sector has grown considerably since 2000, driven primarily by concerns about fossil fuel prices and availability, a renewed quest by many countries for energy independence and widespread awareness of the need to reduce greenhouse gas emissions.
- Global production of ethanol<sup>4</sup> has more than tripled, increasing from 11 million TOE (tonnes of oil equivalent) in 2000 to 38.4 million in 2010.
- **By 2030, growth in biofuel production will require 35 million hectares of land, approximately equal to the combined areas of France and Spain.**
- The bioenergy market puts increasing pressure on land, water, food stocks and, subsequently, food security. The shift in land use away from food production poses a **dilemma: food production versus monetary gains from bioenergy/biofuels.**

Global Ethanol Production by Feedstock Usage



Global Biodiesel Production by Feedstock Usage



Source: OECD-FAO

- The Renewable Energy subsidiary of **Addax and Oryx Group**, a Swiss based energy corporation, has leased **10,000 hectares for 50 years in Sierra Leone** (Bombali district) to grow sugar cane to produce ethanol for export to Europe and electricity from the by-products to be sold in Sierra Leone.  
*Deal:* € 258 million (2011) *Partners:* AfDB, FMO (Netherlands Development Agency), DEG (German Development Agency)
- **Petrotech FFN Mali**, linked with GMW Holdings, has leased **10,000 hectares for 30 years in Mali** (Kareni district) to grow Jatropa.  
*Deal:* No price available.

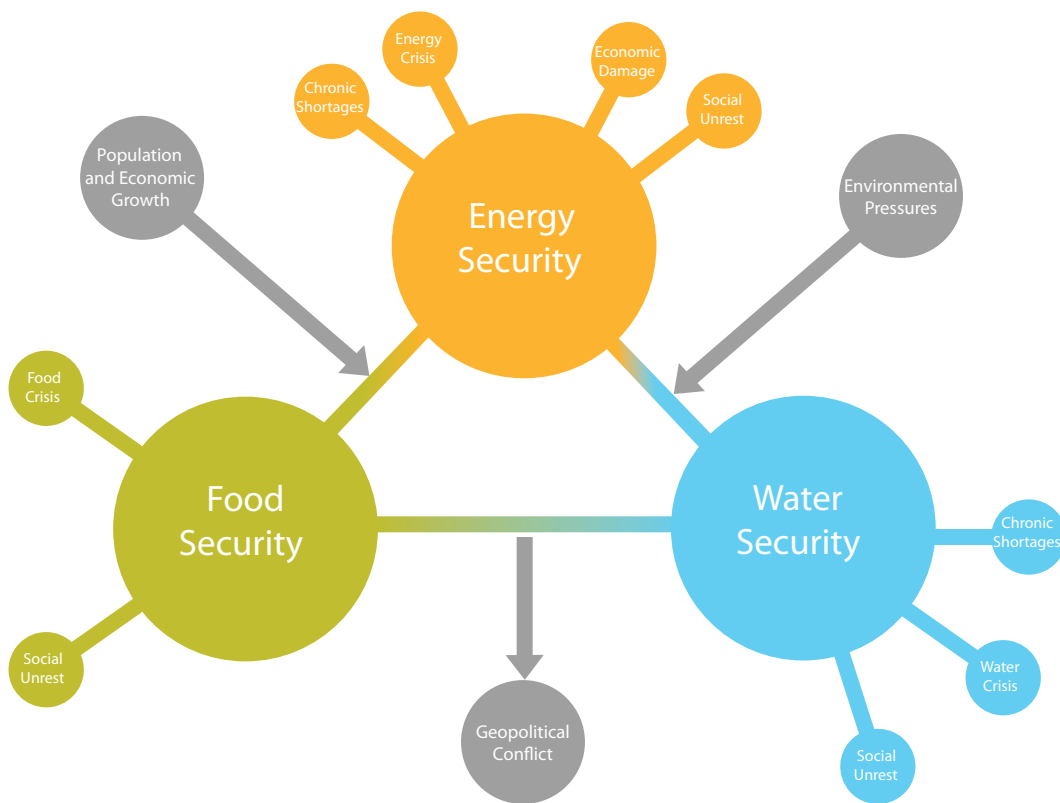
<sup>4</sup> Ethanol is distilled from corn and sugar and used as a substitute for petrol. Other crops such as soya, palm oil and rape seed are refined to produce a substitute for diesel. Plant materials, wood, wood chippings and straw are classified as biomass which can be burned in power stations.

**GROWING DRUG CROPS?**

- Africa ranks among the regions with the highest number and volume of annual local cannabis seizures.
- It is estimated that **Africa accounts for ¼ of global cannabis production.**
- There are 14 major producers in Africa: Benin, Côte d'Ivoire, Democratic Republic of Congo, Egypt, Ghana, Guinea, Malawi, Morocco, Nigeria, South Africa, Swaziland, Tanzania, Togo and Zambia.

**SPOTLIGHT: THE WATER-ENERGY-FOOD NEXUS**

- Production of food requires water and energy, and is sensitive to the cost of energy inputs.
- Water extraction and distribution requires energy.
- Energy production requires water and food.



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Source: WEF, 2011

## AGRICULTURE: THE NEW PATH TO GROWTH?

### WORLD'S LARGEST ECONOMIES ARE ALSO LARGE AGRICULTURAL PRODUCERS

Of the 20 largest economies in the world, nine also rank in the ten countries with the largest agricultural output.

	GDP (US\$billions)	Agricultural Output (US\$billions)
United States	14,093	183 [3rd]
Japan	4,911	63 [8th]
China	4,327	489 [1st]
France	2,857	57 [9th]
Russia	1,679	84 [5th]
Brazil	1,575	106 [4th]
India	1,159	202 [2nd]
Turkey	735	64 [7th]
Indonesia	511	74 [6th]

[Rank in the world]

Agricultural output refers to current growth production value.

Source: EIU, 2010. Data are for 2008.

### HIGH GROWTH IN AGRICULTURE AND HIGH ECONOMIC GROWTH...

- Of the 17 countries that had the highest growth in agriculture between 2000 and 2008, 11 also ranked among the 50 countries in the world with the highest economic growth between 1998 and 2008.
- Of these 17 countries, seven are African.
- Of the 20 countries that relied most on agriculture (% of GDP) in 2010, 17 are African<sup>5</sup> – seven of these rank among the top 50 in terms of economic growth (GDP) since 1998.

	Highest Growth in Agriculture (% annual increase in real terms, 2000-2008)	Highest Economic Growth (% annual increase in real GDP, 1998-2008)
1 Angola	13.6	10.9 [5th]
2 Guinea	9.9	-
3 Eritrea	9.3	-
4 Jordan	8.5	6.4 [34th]
5 Tajikistan	8.3	8.1 [12th]
6 Mozambique	7.8	8.3 [11th]
7 Romania	7.5	-
8 Armenia	7.3	10.3 [6th]
9 Nigeria	7.0	7.9 [15th]
10 Ethiopia	6.8	7.3 [20th]
11 Uzbekistan	6.6	6.1 [37th]
12 Burkina Faso	6.2	5.5 [46th]
13 Iran	5.9	-
14 Paraguay	5.8	-
15 Cambodia	5.6	9.5 [9th]
15 Chile	5.6	-
15 Mongolia	5.6	6.4 [34th]

[Rank in the world]

Source: EIU, 2010

<sup>5</sup> Benin, Burkina Faso, Central African Republic, Chad, Comoros, Democratic Republic of Congo, Ethiopia, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Rwanda, Sierra Leone, Somalia, Sudan, Togo.

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**... WHILE AGRICULTURE MAKES UP LESS THAN 2% OF GDP IN MANY DEVELOPED COUNTRIES**
**Agriculture as % of GDP (2010)**

Bottom 20 countries			Top 20 countries		
1	Hong Kong	0.0	1	Liberia	76.9
1	Singapore	0.0	2	Somalia	60.2
3	Qatar	0.1	3	Chad*	56.0
3	Macau	0.1	4	Guinea Bissau	55.2
5	Kuwait	0.3	5	Central African Republic	53.8
6	Luxembourg	0.4	6	Sierra Leone*	50.9
6	Trinidad and Tobago	0.4	7	Ethiopia*	50.0
8	Bahrain	0.5	8	Togo	46.1
9	Belgium	0.7	9	Sudan*	44.6
9	United Kingdom	0.7	10	Burma	43.1
10	UAE	0.9	11	Comoros	41.8
10	Germany	0.9	12	Mali	39.0
13	Puerto Rico	1.0	13	Democratic Republic of Congo	38.7
14	United States	1.1	14	Niger	37.0
15	Denmark	1.2	15	Benin	35.9
16	Switzerland	1.3	16	Nigeria*	35.6
17	Japan	1.4	17	Burkina Faso*	34.1
17	Taiwan	1.4	18	Rwanda*	33.6
19	Austria	1.5	19	Cambodia	33.4
20	Oman	1.6	20	Nepal	32.8

\*African countries ranking among 50 with highest economic growth in real GDP (1998 – 2008). Only countries with population above 500,000 are considered.

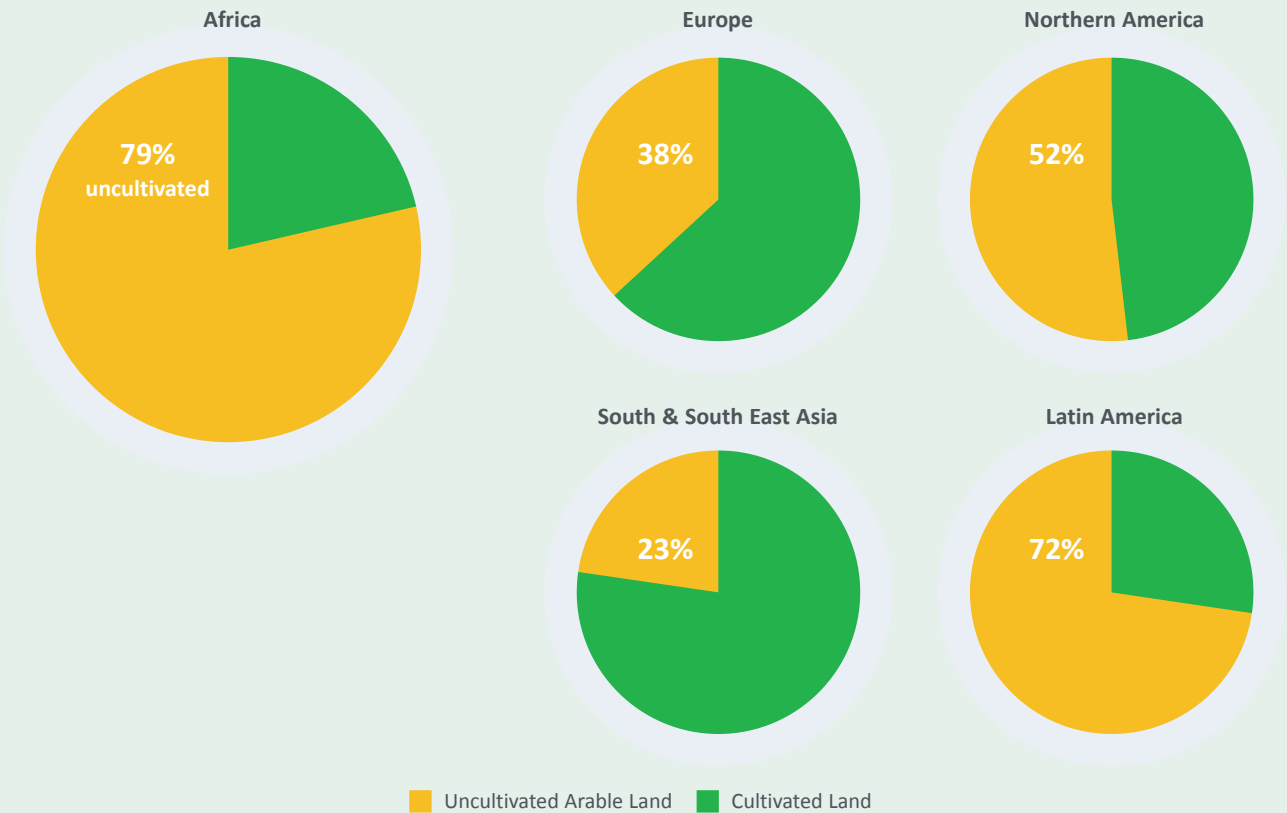
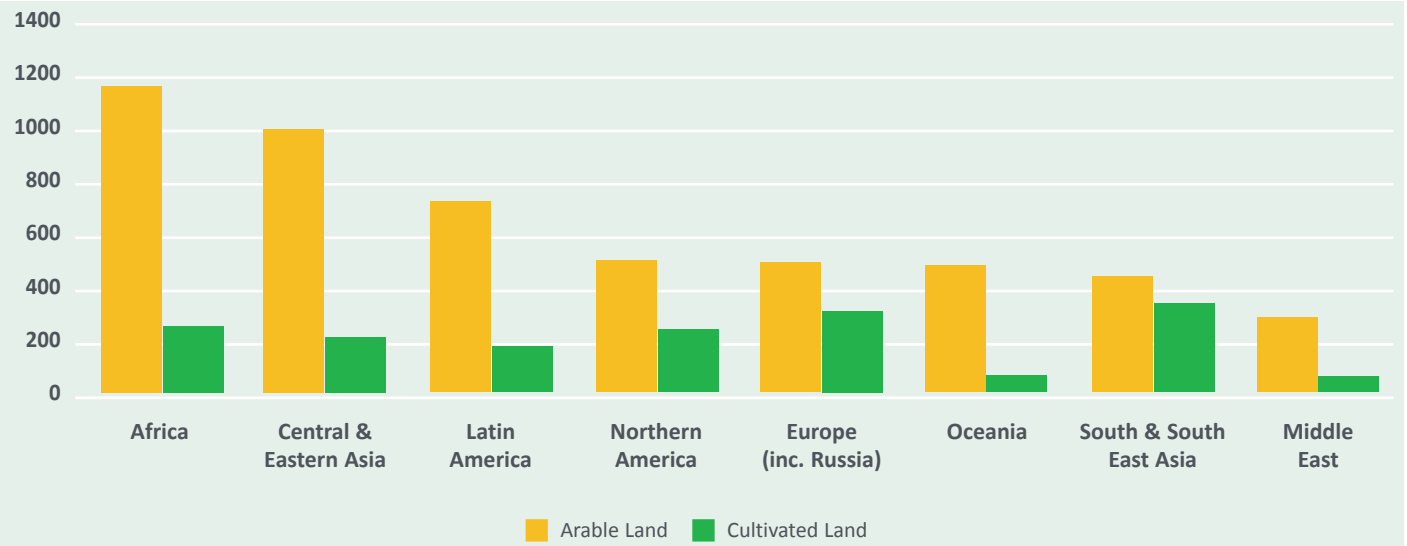
Source: EIU CountryData and CIA World Factbook. Data for Puerto Rico are from 2005; Luxembourg from 2007 and Cambodia from 2009.

**AFRICAN LAND: WORLD'S GREATEST RESERVES**

Africa has the largest share of arable land in the world (16%)<sup>6</sup>...

...and the largest share of uncultivated arable land (79%)<sup>7</sup>

Availability of Arable and Cultivated Land (millions of ha)



Source: Atlas des Futurs du Monde, 2010

6 FAO Statistical Yearbook, 2010  
7 Atlas des Futurs du Monde, 2010

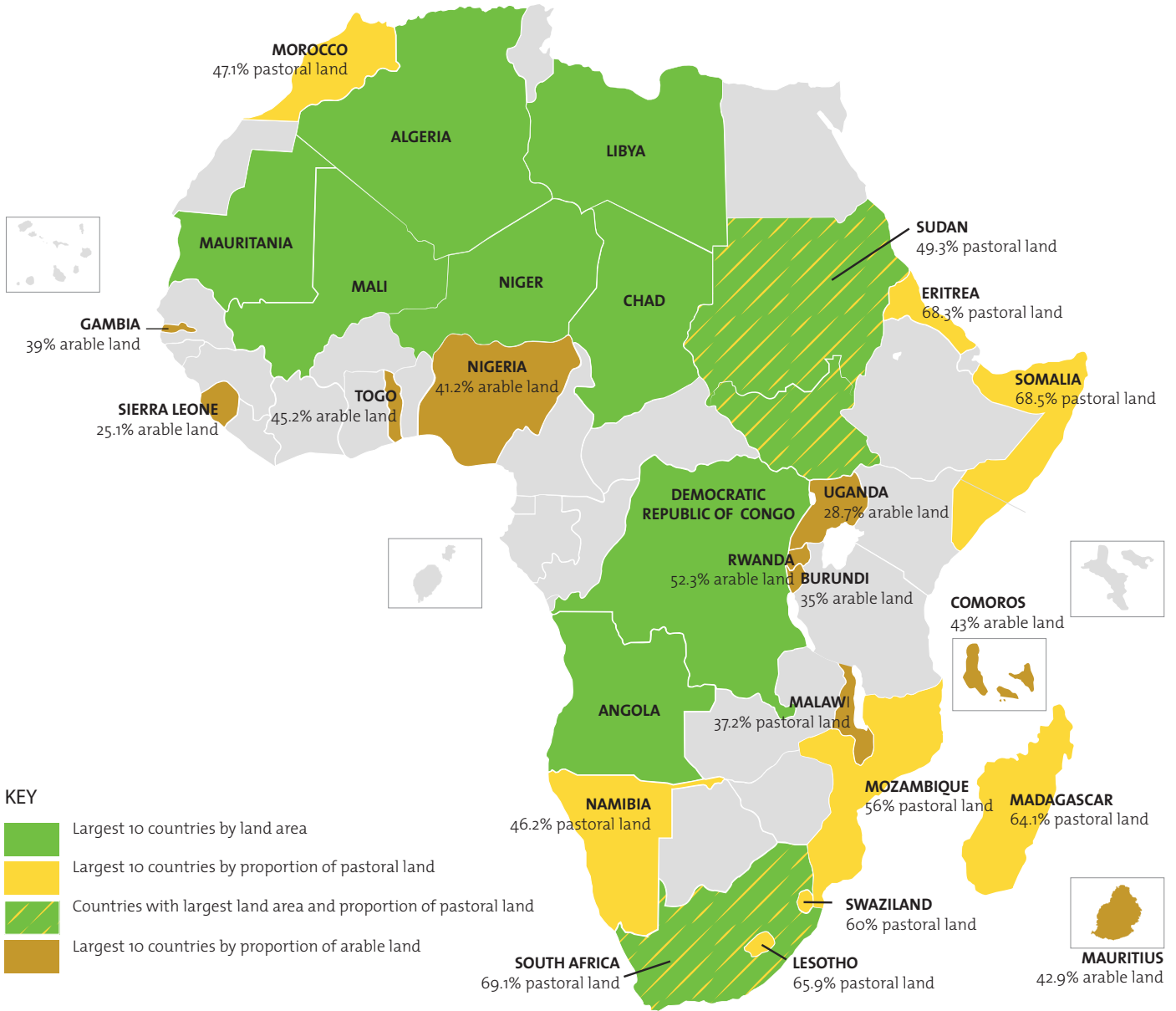
## Africa's Land Distribution

	Land Area		Arable Land			Permanent Crops		Pastoral land	
	(1000 ha)	% of Africa	% of national land	% of continental land	% of continental arable land	% of national land	% of continental perm. crops	% of national land	% of continental pastoral land
Algeria	238,174	8.1	3.1	0.3	3.4	0.4	3.3	13.8	3.6
Sudan	237,600	8.1	8.7	0.7	9.3	0.1	0.7	49.3	13.0
Congo, DR.	226,705	7.7	3.0	0.2	3.0	0.3	2.7	6.6	1.7
Libya	175,954	6.0	1.0	0.1	0.8	0.2	1.1	7.7	1.5
Niger	126,670	4.3	11.4	0.5	6.5	0.0	0.2	22.7	3.2
Chad	125,920	4.3	3.4	0.1	1.9	0.0	0.1	35.7	5.0
Angola	124,670	4.2	2.7	0.1	1.5	0.2	1.0	43.3	6.0
Mali	122,019	4.2	4.0	0.2	2.2	0.1	0.5	28.4	3.8
South Africa	121,447	4.1	11.9	0.5	6.5	0.8	3.4	69.1	9.3
Mauritania	103,070	3.5	0.4	0.0	0.2	0.0	0.0	38.1	4.3
Ethiopia	100,000	3.4	13.6	0.5	6.1	0.9	3.2	20.0	2.2
Egypt	99,545	3.4	2.8	0.1	1.2	0.8	2.7	.	.
Nigeria	91,077	3.1	41.2	1.3	16.8	3.3	10.7	41.7	4.2
Tanzania	88,580	3.0	10.8	0.3	4.3	1.5	4.8	27.1	2.7
Namibia	82,329	2.8	1.0	0.0	0.4	0.0	0.0	46.2	4.2
Mozambique	78,638	2.7	5.7	0.2	2.0	0.3	0.9	56.0	4.9
Zambia	74,339	2.5	3.2	0.1	1.1	0.0	0.1	26.9	2.2
Somalia	62,734	2.1	1.6	0.0	0.4	0.0	0.1	68.5	4.8
Central African Rep.	62,298	2.1	3.1	0.1	0.9	0.1	0.3	5.1	0.4
Madagascar	58,154	2.0	5.1	0.1	1.3	1.0	2.1	64.1	4.1
Kenya	56,914	1.9	9.3	0.2	2.4	0.9	1.8	37.4	2.4
Botswana	56,673	1.9	0.4	0.0	0.1	0.0	0.0	45.2	2.8
Cameroon	47,271	1.6	12.6	0.2	2.7	2.5	4.3	4.2	0.2
Morocco	44,630	1.5	18.0	0.3	3.6	2.1	3.3	47.1	2.3
Zimbabwe	38,685	1.3	9.6	0.1	1.7	0.3	0.4	31.3	1.3
Congo	34,150	1.2	1.4	0.0	0.2	0.2	0.2	29.3	1.1
Côte d'Ivoire	31,800	1.1	8.8	0.1	1.3	13.4	15.2	41.5	1.5
Burkina Faso	27,360	0.9	23.0	0.2	2.8	0.2	0.2	21.9	0.7
Gabon	25,767	0.9	1.3	0.0	0.1	0.6	0.5	18.1	0.5
Guinea	24,572	0.8	9.8	0.1	1.1	2.8	2.5	43.5	1.2
Ghana	22,754	0.8	19.3	0.1	2.0	12.5	10.2	36.7	0.9
Uganda	19,710	0.7	28.7	0.2	2.5	11.4	8.0	25.9	0.6
Senegal	19,253	0.7	18.2	0.1	1.6	0.3	0.2	29.1	0.6
Tunisia	15,536	0.5	18.2	0.1	1.3	14.2	7.9	31.2	0.5
Benin	11,062	0.4	23.1	0.1	1.1	2.7	1.1	5.0	0.1
Eritrea	10,100	0.3	6.6	0.0	0.3	0.0	0.0	68.3	0.8
Liberia	9,632	0.3	4.2	0.0	0.2	2.3	0.8	20.8	0.2
Malawi	9,408	0.3	37.2	0.1	1.6	1.3	0.4	19.7	0.2
Sierra Leone	7,162	0.2	25.1	0.1	0.8	1.9	0.5	30.7	0.2
Togo	5,439	0.2	45.2	0.1	1.1	3.1	0.6	18.4	0.1
Lesotho	3,036	0.1	11.7	0.0	0.2	0.1	0.0	65.9	0.2
Guinea-Bissau	2,812	0.1	10.7	0.0	0.1	8.9	0.9	38.4	0.1
Equatorial Guinea	2,805	0.1	4.7	0.0	0.1	2.7	0.3	3.7	0.0
Burundi	2,568	0.1	35.0	0.0	0.4	15.2	1.4	35.0	0.1
Rwanda	2,467	0.1	52.3	0.0	0.6	11.3	1.0	18.2	0.0
Swaziland	1,720	0.1	10.3	0.0	0.1	0.8	0.0	60.0	0.1
Gambia	1,000	<0.1	39.0	0.0	0.2	0.5	0.0	26.0	0.0
Cape Verde	403	<0.1	16.1	0.0	0.0	0.7	0.0	6.2	0.0
Mauritius	203	<0.1	42.9	0.0	0.0	2.0	0.0	3.4	0.0
Comoros	186	<0.1	43.0	0.0	0.0	29.6	0.2	8.1	0.0
São Tomé & Príncipe	96	<0.1	9.4	0.0	0.0	46.9	0.2	1.0	0.0
Seychelles	46	<0.1	2.2	0.0	0.0	6.5	0.0	.	.

Source: FAO Statistical Yearbook, 2010. Data are for 2008.



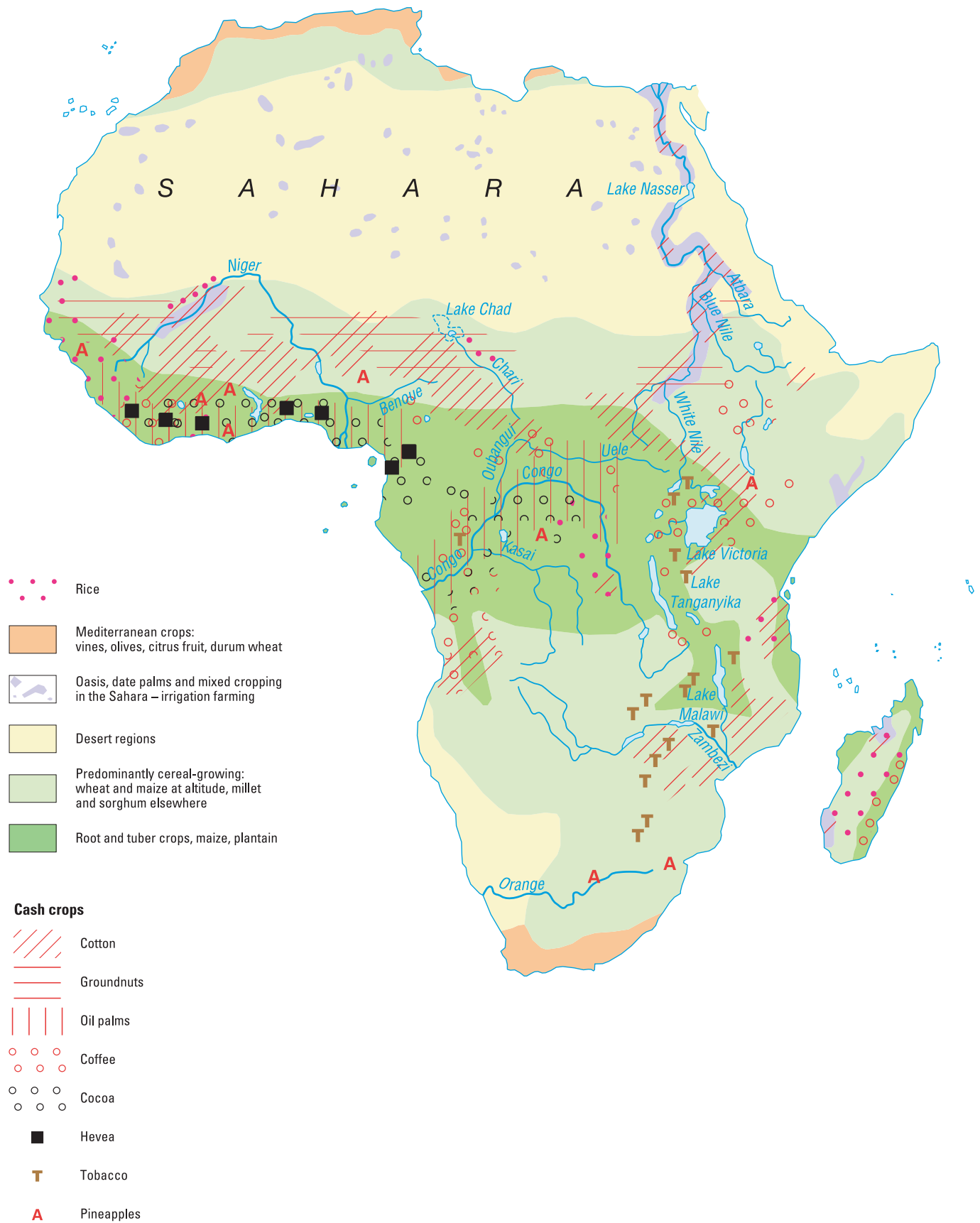
LAND POTENTIAL: AFRICA'S TOP TEN



**AGRICULTURAL AFRICA: LIVESTOCK, FARMING AND FISHING**

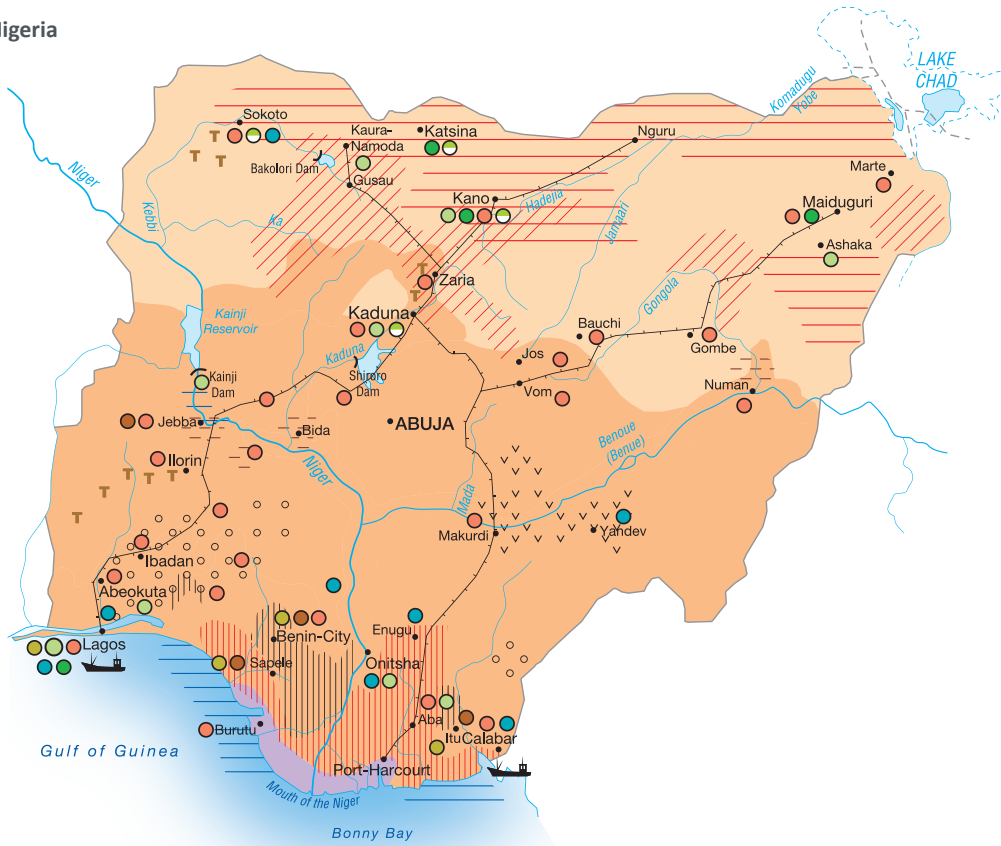


AGRICULTURAL AFRICA: AGRICULTURE AND COMMERCIAL CROPS



**AGRICULTURAL AFRICA: SELECTED COUNTRIES**

**Nigeria**



**AGRICULTURE (CROPS AND LIVESTOCK)**

- Subsistence crops (sorghum, millet), rice in floodplain valleys, extensive transhumant livestock farming
- Subsistence crops: cereals (maize), tubers (cassava, yams), rice grown in large valleys
- Mangrove and swamp forest  
Coconut palms

**Main cash crops**

- Groundnuts
- Cotton
- T** Tobacco
- Oil palms
- Hevea
- Cocoa
- Sesame
- Sugar cane

**FOOD AND AGRO-INDUSTRY**

- Timber industry
- Textile industry
- Leather industry
- Food processing industry
- Cotton ginning
- Rubber and tyres

**FISHING**

- Traditional fishing
- Industrial fishing

**Sudan and South Sudan**



**AGRICULTURE, STOCKFARMING**

- Desert region: nomadic livestock farming (sheep, goats, camels)
- Date palms
- Subsistence crops (millet, sorghum, maize) and livestock farming, mainly cattle
- Open woodland: slash and burn
- Forest
- Irrigation or flood plain farming; sesame, wheat, vegetables, fruit

**FOOD AND AGRO-INDUSTRY**

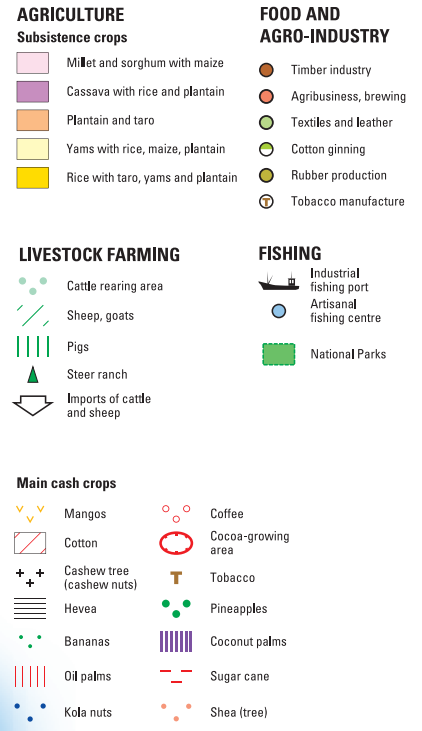
- Agribusiness
- Sugar mill
- Timber
- Textiles
- Tannery
- Cotton ginning
- Abattoir
- Oil mill

**AGRICULTURE, STOCKFARMING**

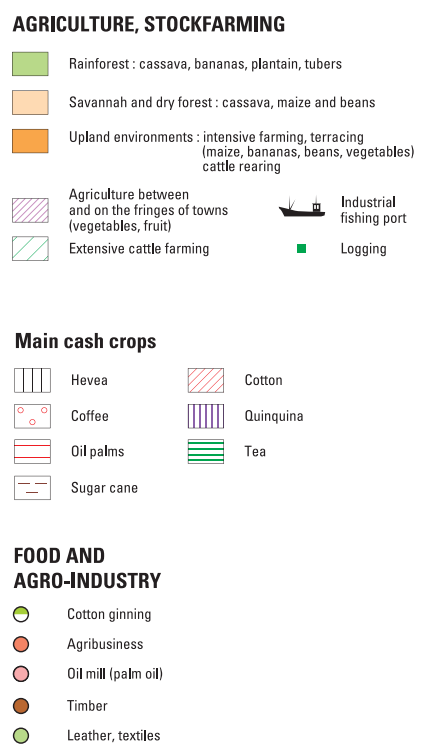
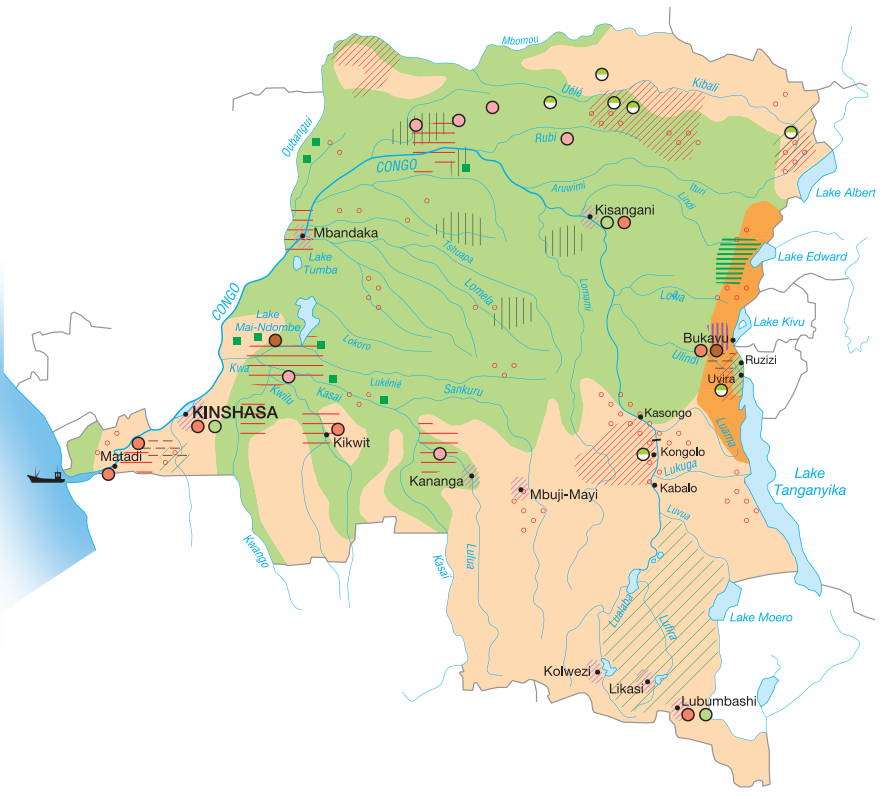
- Export crops**
- Groundnuts
  - Gum arabic
  - Sesame
  - Sugar cane
  - Cotton
- Fishing harbour
  - Fishing

AGRICULTURAL AFRICA: SELECTED COUNTRIES

Côte d'Ivoire



Democratic Republic of Congo



## LAND ACQUISITIONS: DRIVERS, OPPORTUNITIES, THREATS

227 million hectares of developing countries' land have been sold, leased and licensed to international investors in large scale land deals since 2001. In 2009 alone 60 million hectares were purchased or leased in Africa<sup>8</sup>.

### DRIVERS

#### Securing Food Supply

Due to sky-rocketing prices in 2008 that increased import bills and inflation rates; harsh climatic conditions; poor soils; and scarce land and water.

#### Securing New Financial Investments

Investments in farmland are promising and secure in terms of rising demand for food and fuel. Private equity groups have established 'farmland funds', buying up portfolios of land in numerous countries and promising their clients returns of 30% per annum over a five-year period.

#### Securing Fuel Supply

Surging demand for agro-fuels, including biofuels produced from ethanol and sugarcane, are being driven by energy and manufacturing.

### POTENTIAL OPPORTUNITIES

- **Macro economic** benefits – GDP growth and increased government revenues.
- Increased **agricultural productivity**.
- Employment opportunities – creation of **on-farm and off-farm jobs**.
- Development of **rural infrastructure**.
- Resources for new agricultural technologies and practices.
- **Poverty reduction** – construction of schools, training facilities and health centres.

### POTENTIAL THREATS

- **Bargaining power** in negotiations is often on the side of the foreign firms especially when supported by host state or local elites.
- Traditional rights of local communities over the land are often overlooked and many countries do not have **legal or procedural mechanisms to protect these rights**.
- Lack of **transparency** in negotiations of land deals can foster corruption.
- **Women** and pastoralists are often not included in land deals.
- Reduced likelihood of achieving **food self-sufficiency** as governments outsource the means for food production.
- Threats to **biodiversity, carbon stocks and land and water resources** from intensive agriculture production.
- **Environmental conflicts** from incentives offered to encourage investment, or inappropriate resource-intensive farming practices.
- **Land banking** - Speculative purchases of land which is left idle<sup>9</sup>.

#### Tirana Declaration, Albania, May 2011

Approved by more than 45 countries, the declaration reiterates the need to promote secure and equitable access to and control of land for the poor to reduce poverty, promote sustainable development and contribute to identity, dignity and inclusion, and denounces the growing practice of "land grabbing", and includes a commonly agreed upon definition:

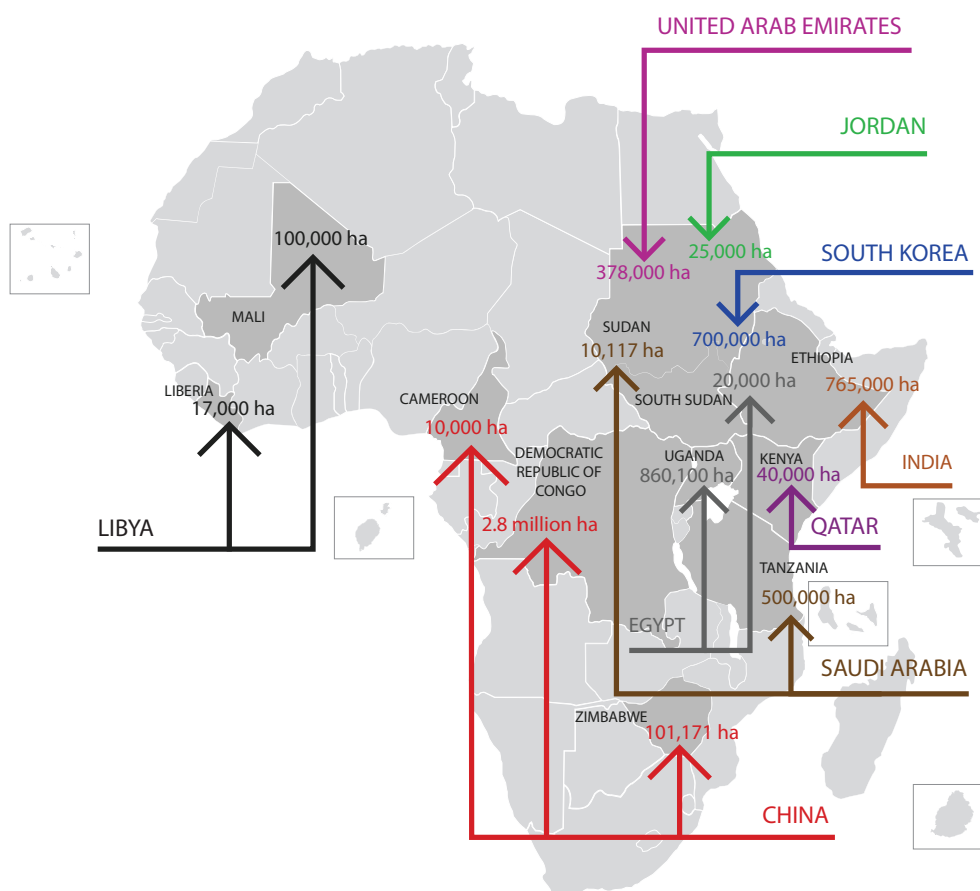
*"Land grabbing refers to land acquisitions which either violate human rights, flout the principle of free, prior and informed consent of the affected land users; ignore the impacts on social and economic and gender relations and on the environment; avoid transparent contracts with clear and binding commitments on employment and benefit sharing; are not based on democratic planning, independent oversight and meaningful participation."*

<sup>8</sup> Oxfam, 2011; Oakland Institute, 2011.

<sup>9</sup> Analysis of 56 million hectares of large scale deals concluded nothing had been done with 80% of the land involved (Oakland Institute, 2011).

International Acquisitions of Agricultural Land in Africa

Investor Country					Land investment			Target Country				
Arable land (millions of ha)	Acquired land as % of investor arable land	Total land (millions of ha)	Acquired land as % of investor land	Population (millions)	Investor (millions of ha)	Target	Arable Land (millions of ha)	Acquired land as % of target arable land	Total land (millions of ha)	Acquired land as % of target land	Population (millions)	
108.6	2.6	932.7	0.3	1338.3	China*	2.80	DRC	6.7	41.8	226.7	1.2	66.0
2.8	31.0	99.5	0.9	81.1	Egypt	0.86	Uganda	5.7	15.2	19.7	4.4	33.4
158.1	0.5	297.3	0.3	1170.9	India	0.77	Ethiopia	13.6	5.6	100.0	0.8	82.9
1.6	45.1	9.7	7.2	48.9	South Korea	0.70	Sudan	20.7	3.4	237.6	0.3	43.6
3.4	14.5	215.0	0.2	27.4	Saudi Arabia	0.50	Tanzania	9.6	5.2	88.6	0.6	44.8
0.1	581.5	8.4	4.5	7.5	UAE	0.38	Sudan	20.7	1.8	237.6	0.2	43.6
108.6	0.1	932.7	<0.1	1338.3	China	0.10	Zimbabwe	3.7	2.7	38.7	0.3	12.6
1.8	5.7	176.0	0.1	6.4	Libya	0.10	Mali	4.9	2.1	122.0	0.1	15.4
<0.1	307.7	1.2	3.5	1.8	Qatar	0.04	Kenya	5.3	0.8	56.9	0.1	40.5
0.1	16.7	8.8	0.3	6.0	Jordan	0.03	Sudan	20.7	0.1	237.6	<0.1	43.6
2.8	0.7	99.5	<0.1	81.1	Egypt	0.02	Ethiopia	13.6	0.1	100.0	<0.1	82.9
1.8	1.0	176.0	<0.1	6.4	Libya	0.02	Liberia	0.4	4.3	9.6	0.2	4.0
3.4	0.3	215.0	<0.1	27.4	Saudi Arabia	0.01	Sudan	20.7	<0.1	237.6	<0.1	43.6
108.6	<0.1	932.7	<0.1	1338.3	China	0.01	Cameroon	6.0	0.2	47.3	<0.1	19.6



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 Data for land area are from 2008 and for population from 2010. Information on investment deals refers to 2007 to 2009 and includes leased and purchased land.  
 \*Refers to ZTE International, a publicly owned Chinese corporation.  
 Sources: Atlas des Futurs du Monde, 2010; IFPRI, 2009; FAOSTAT and WDI

## SPOTLIGHT: LAND DEALS - IN WHOSE INTEREST?

### THE NEW HOTSPOT | South Sudan

- The World Bank estimates that the Government of Sudan transferred nearly **4 million hectares of land to private investors from 2004 to 2009, mostly in southern Sudan.**
- Between 2007 and 2010 in South Sudan, various actors have sought or acquired **at least 2.64 million hectares of land, an area larger than Rwanda**, for agricultural projects, biofuel development and forestry<sup>10</sup>.

Investor	Location	Focus	Land and Lease
Nile Trading and Development (USA)	Lainya	Biofuels, Carbon Credits	600,000 ha (plus extension up to 1million ha); community owned land; 49 year lease; \$25,000 in fees for state government; 40-50% of profits for local co-ops.
Canadian Economic Development Assistance for Southern Sudan	Juba	Agriculture	12,200 ha (trial planting on 105 ha); government owned land; No lease.
Citadel Capital, Sudan Egyptian Agricultural Company (Egypt), Concord Agriculture (Australia)	Gwit, Pariang	Agriculture, Carbon Credits	105,000 ha; community owned land; 25 year lease; \$125,000 for state government.
Prince Budr Bin Sultan (Saudi Arabia)	Gwit	Agriculture	105,000 ha; community owned land; 25 year lease; \$125,000 for state government.

Source: Deng, 2011

### POLITICAL CRISIS TRIGGER | Madagascar

Investor	Focus	Land and Lease	Issues
Daewoo Logistics (South Korea)	Maize and palm oil production.	1.3 million ha (over half of Madagascar's arable land); Lease: unknown.	Deal fuelled protests against the President, who was forced out of office in 2008. The deal was cancelled.

### LAND FOR FREE? | Ethiopia, Mali, Mozambique<sup>11</sup>

Investor	Location	Focus	Land and Lease	Issues
Libyan Africa Investment Portfolio	Mali (Office du Niger)	Rice and cattle.	100,000 ha free of charge for 50 years.	- Lack of governance and transparency - Risk of agricultural output being exported
Saudi Star Agriculture Development PLC	Ethiopia (Gambella)	Projected 1 million tons of rice, maize, teff, sugarcane and oilseed.	10,000 ha, free of land rent for 60 years.	- Forests and farmland lost - Forced relocation of people in villages - No land tenure security over ancestral lands
Emvest Asset Management	Mozambique (Matuba)	Irrigation of virgin land to develop into arable land for food production.	2000 ha at "nominal cost" for 50 years (plus additional fiscal incentives for Emvest).	- Community members forced to release farmland - Failure to deliver well-being to community; - Lack of transparency

Source: Oakland Institute, 2011

### WESTERN UNIVERSITIES INVESTING | Tanzania

Investor	Focus	Land and Lease	Issues
Iowa State University with Summit Group and Global Agricultural Financial Fund of the Pharos Group with AgriSOL Energy LLC	Large scale crop cultivation, beef and poultry production and biofuel production	Approx. 325,117 ha. Iowa State University will conduct the feasibility studies including soil sampling and climate, rainfall and landscape analysis. Also proposes a farmer outreach and agricultural extension programme with Tanzania's Sokoine University of Agriculture.	- Closing down of two of the settlements that are being acquired, that hold 162,000 people - Economic independence of local smallholders

Source: Oakland Institute, 2011

<sup>10</sup> Deng, 2011 (Norwegian People's Aid)

<sup>11</sup> Data refers to 2008, 2010, 2011 respectively.



## AFRICAN WATER: MAKING GOOD CHOICES

### GENUINE CONCERN: UNCERTAIN RAINS...

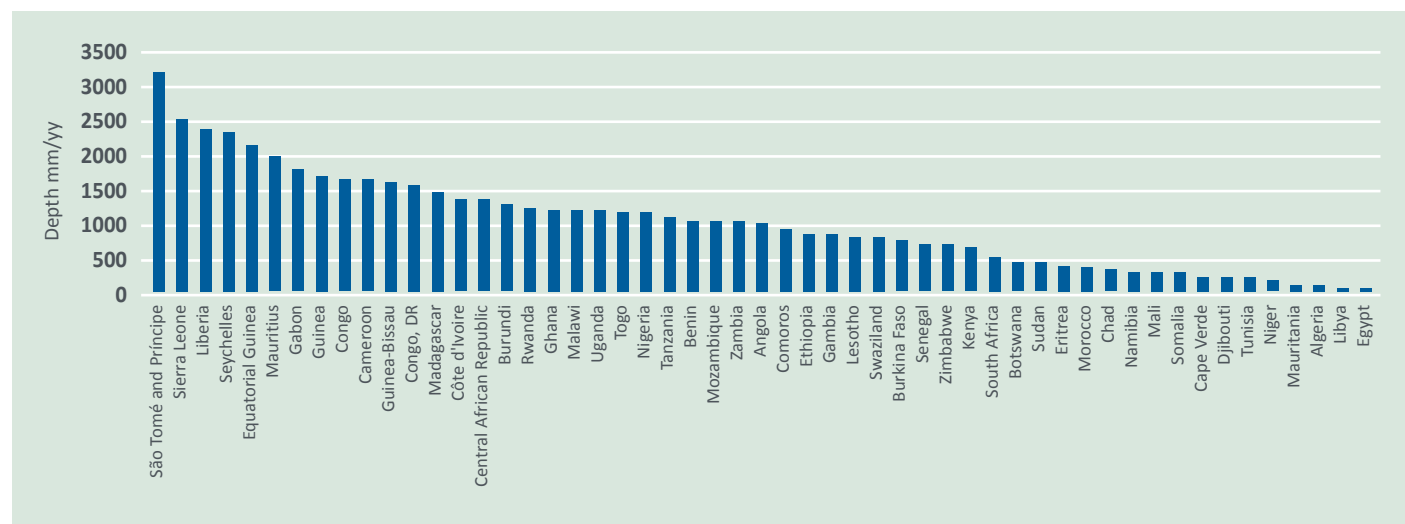
- Africa only has approximately 9% of global freshwater resources for 15% of the global population.
- More than 40% of Africa's population live in arid, semi-arid and dry sub-humid areas.
- Highly variable and unpredictable rainfall in Africa is characterised by high evaporation losses and low runoff.
- Africa's annual per capita water availability of 4,008m<sup>3</sup> in 2009 is well below other world regions.
- **Egypt and Libya rank in the top five countries in the world most exposed to overall risk with regards to water stress according to the Water Stress Index.**
- By 2025, water availability in nine countries<sup>12</sup> is projected to be less than 1,000 m<sup>3</sup> per capita per year.
- 12 countries<sup>13</sup> would be limited to 1,000–1,700 m<sup>3</sup> per capita per year, and the population at risk of water stress could be up to 460 million people.

### Water Resources

Region	Total Renewable Water Resources <sup>14</sup> (actual) (km <sup>3</sup> /yr)	% of African Renewable Water Resources	Max. Precipitation (avg. depth) in Region (mm/yr)	Min. Precipitation (avg. depth) in Region (mm/yr)
Central Africa	2777.9	50.0	2156 [Equatorial Guinea]	322 [Chad]
West Africa	1306.1	23.5	3200 [São Tomé & Príncipe]	151 [Niger]
Southern Africa	934.8	16.8	2041 [Mauritius]	285 [Namibia]
East Africa	424.0	7.6	2330 [Seychelles]	220 [Djibouti]
North Africa	114.6	2.1	346 [Morocco]	51 [Egypt]
<b>Africa</b>	<b>5557.4</b>			

Source: FAO AQUASTAT. Data are for 2008.

### Average Precipitation



Source: FAO AQUASTAT. Data are for 2008.

### ...BUT HUGE RIVER BASINS

- Africa's transboundary river basins contain 93% of its total surface water resources.
- They are also home to approximately 77% of Africa's population.
- Africa has more rivers shared by three or more countries than any other continent.
- The Congo basin is shared by 11 countries and discharges 40,000 m<sup>3</sup> of water into the Atlantic Ocean every second.

<sup>12</sup> Burundi, Cape Verde, Djibouti, Egypt, Kenya, Malawi, Rwanda, Somalia, South Africa.

<sup>13</sup> Burkina Faso, Ethiopia, Ghana, Lesotho, Madagascar, Mauritius, Mozambique, Nigeria, Tanzania, Togo, Uganda, Zimbabwe.

<sup>14</sup> Sum of internal renewable water resources (IRWR) and external actual renewable water resources. It corresponds to the max. theoretical yearly amount of water actually available for a country at a given moment.

**A GREAT REGIONAL POTENTIAL: THE 13 RIVER BASINS**

**1. Senegal River Basin**

**Riparian Countries (4):** Guinea, Mali, Mauritania, Senegal  
**Regional Body:** Organization for the Development of the Senegal River basin (OMVS) - All riparian countries except Guinea  
**% of Africa's surface area:** Over 1.6%  
**Population:** Approximately 3.5 million

**4. Lake Chad Basin**

**Riparian Countries (8):** Algeria, Central African Republic, Cameroon, Chad, Libya, Niger, Nigeria, Sudan  
**Regional Body:** Lake Chad Basin Commission (1964) - All riparian countries except Algeria, Libya, Sudan  
**% of Africa's surface area:** Over 8%  
**Population:** Approximately 46 million

**5. Nile River Basin**

**Riparian Countries (9):** Burundi, Democratic Republic of Congo, Egypt, Ethiopia, Kenya, Rwanda, Sudan, Tanzania, Uganda  
**Regional Body:** Nile Basin Initiative (NBI) (1999) - All riparian countries Eritrea is as an observer.

**% of Africa's surface area:** Approx 10%  
**Population:** Approximately 360 million

**7. Congo River Basin**

**Riparian Countries (10):** Angola, Burundi, Cameroon, Central African Republic, Democratic Republic of Congo, Gabon, Congo, Rwanda, Tanzania, Zambia  
**Regional Body:** Commission Internationale du Bassin Congo-Oubangui-Sangha (CICOS) (1999) - All riparian countries except Angola, Burundi, Rwanda, Tanzania, Zambia  
**% of Africa's surface area:** Over 12%  
**Population:** Approximately 100 million

**11. Okavango Delta Basin**

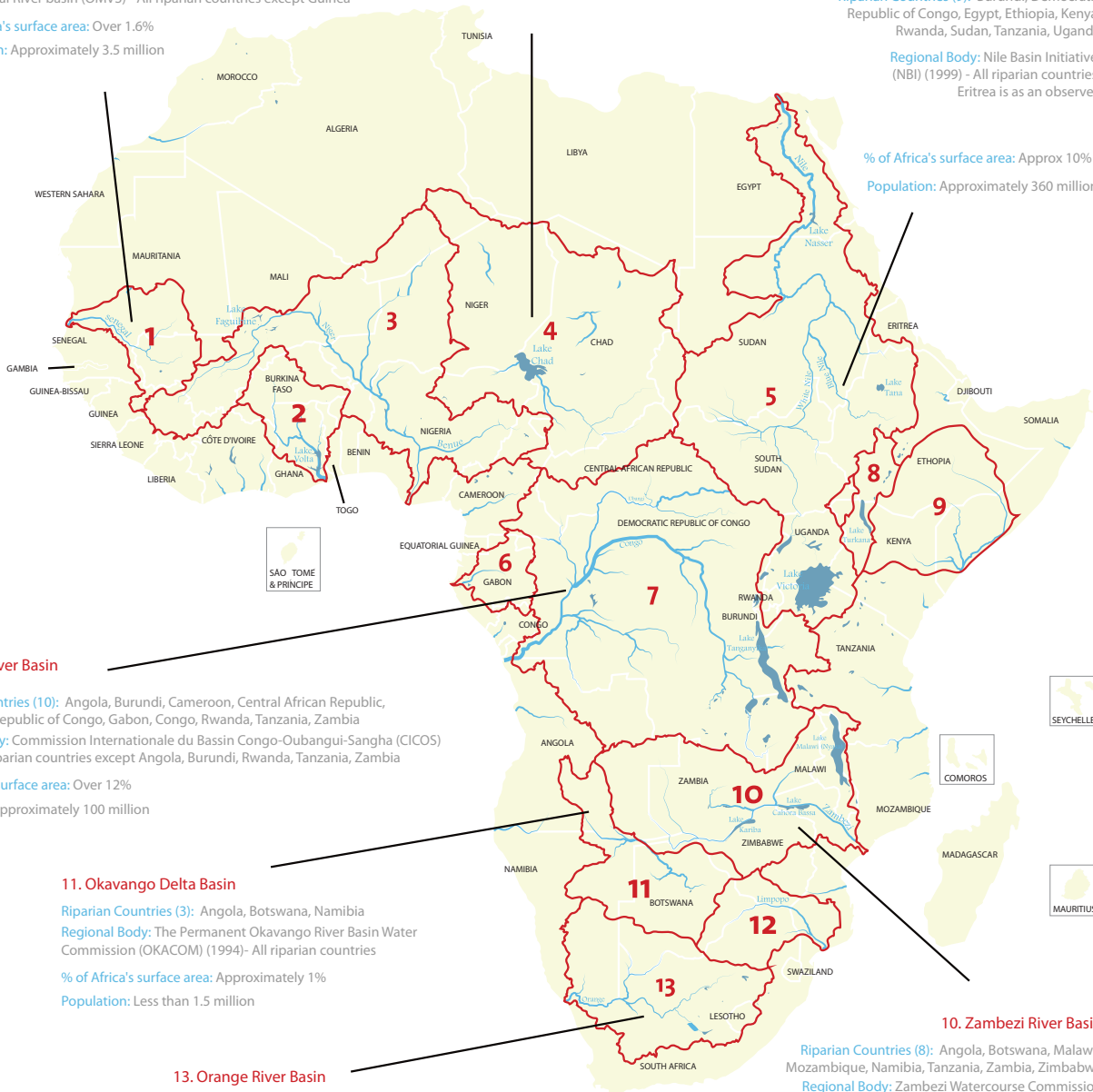
**Riparian Countries (3):** Angola, Botswana, Namibia  
**Regional Body:** The Permanent Okavango River Basin Water Commission (OKACOM) (1994) - All riparian countries  
**% of Africa's surface area:** Approximately 1%  
**Population:** Less than 1.5 million

**13. Orange River Basin**

**Riparian Countries (4):** Botswana, Lesotho, Namibia, South Africa  
**Regional Body:** Orange-Senqu River Commission (ORASECOM) (2000) - All riparian countries  
**% of Africa's surface area:** Approx 3%  
**Population:** Approximately 15.7 million

**10. Zambezi River Basin**

**Riparian Countries (8):** Angola, Botswana, Malawi, Mozambique, Namibia, Tanzania, Zambia, Zimbabwe  
**Regional Body:** Zambezi Watercourse Commission (ZAMCOM) (2004) - All riparian countries  
**% of Africa's surface area:** 4.5%  
**Population:** Approximately 40 million



**KEY**

- Transboundary River Basin
- Lakes
- Rivers

**Africa's River Basins**

1. Senegal
2. Volta
3. Niger
4. Chad
5. Nile
6. Ogooue
7. Congo
8. Turkana
9. Jubashabelle
10. Zambezi
11. Okavango
12. Limpopo
13. Orange

© Mo Ibrahim Foundation  
 Source: UNEP, 2010 and respective Regional Body websites

## WATER MANAGEMENT: MAKING GOOD CHOICES

Agriculture accounts for approximately 3,100 billion m<sup>3</sup> or 71% of water withdrawals today in the world - without efficiency gain this will increase to 4,500 billion m<sup>3</sup> by 2030. It is estimated to take one litre of water to grow one calorie of food.

Food production needs to increase to meet the demands of a growing, increasingly urbanised population. Countries need to ensure water is used intelligently, and that increased food production is based on a sensible and sustainable water management strategy to make the best use out of a resource that is in high demand.

### Rain-fed Agriculture

**Covers 82% of cropland worldwide and produces 60% of the crops.**

Accounts for nearly 96% of the cropland in Africa.

With reliable rainfall and productive soils it can have some of the highest yields. However, in dry and tropical, arid and semi-arid regions, yields are often low. Climate change is an additional threat.

Greenwater efficiency is very low - **only 15 % of the terrestrial rainwater is used by plants for the production of food, fodder and fibre in sub-Saharan Africa**, partly due to excessive losses caused by poor land management practices.

The IPCC estimates that if global average temperatures rise by 3°C, yields from rain-fed agriculture could be reduced by up to 50% in Africa.

Yields can be increased by improving, and investing in, water management.

### Irrigation

**Covers 18% of cropland worldwide and produces 40% of the crops.**

Irrigated land in Africa is 4% of cropland.

**Two thirds of Africa's irrigated land is found in 3 countries: Madagascar, South Africa and Sudan.**

**Irrigation increases yields of most crops by 100% to 400%.**

Sub-Saharan Africa extracts less than 2% of available water for all uses. Irrigation and drainage will be an important source of productivity growth especially in sub-Saharan Africa where there are untapped water resources.

Lack of investment in irrigation contributes to expansion of rain-fed agriculture on to marginal lands with unreliable rainfall.

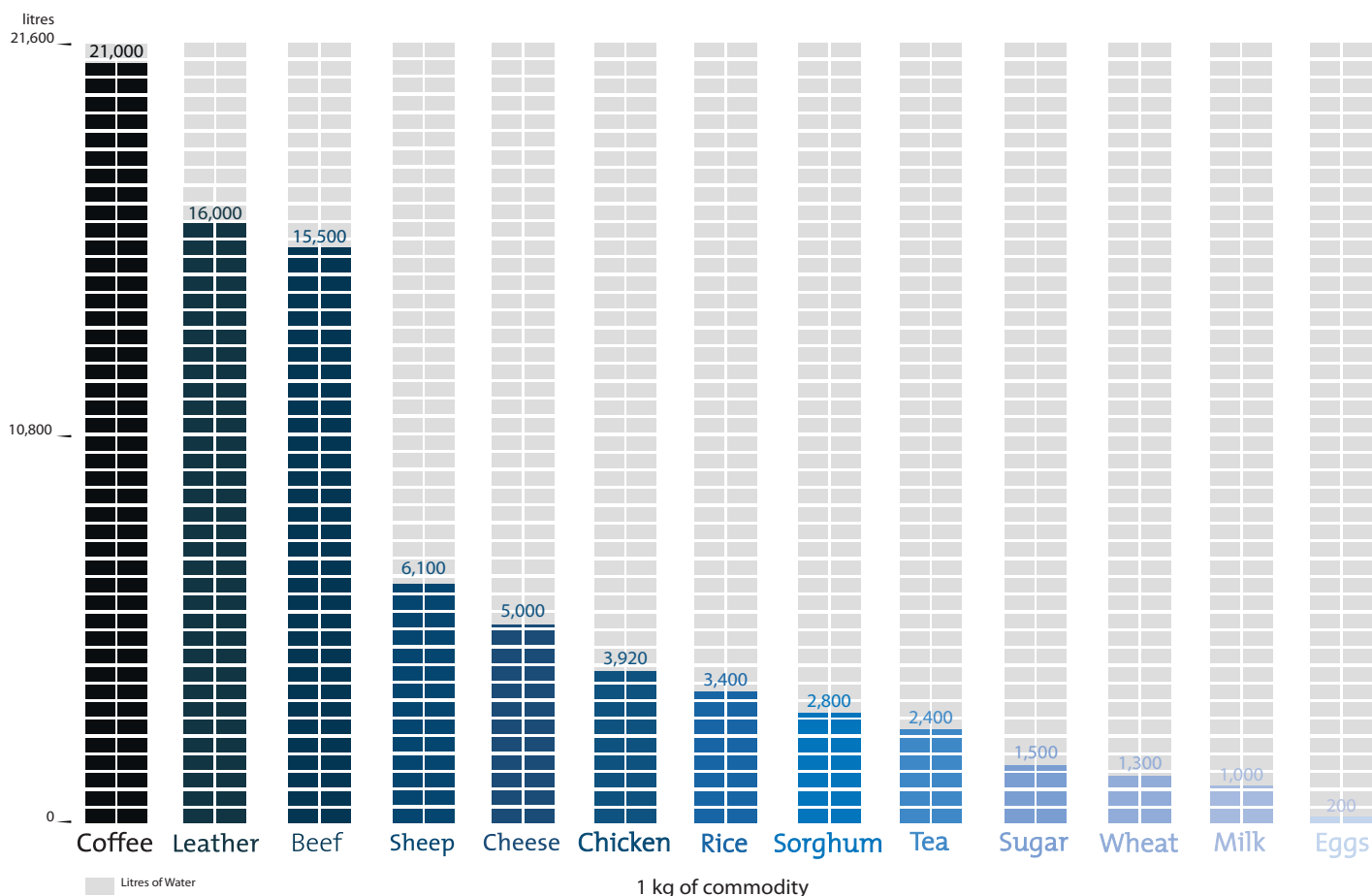
### Sustainable Water Solutions

- Water harvesting, supplemental irrigation, conservation tillage and the use of small scale technologies e.g. motorised and treadle pumps.
- Improving soil and land management practices.
- Enhancing ecosystems by improving agricultural practices and raising awareness of the value of ecosystems and biodiversity as agricultural inputs.
- Building capacity to develop rainwater management strategies and equipping farmers with the knowledge and skills to exploit rainwater and improve water productivity.

**SPOTLIGHT: WATER PRINTS AND FOOD CHOICES**

Decreasing Supply: Everywhere but in Africa?

**Water Prints**

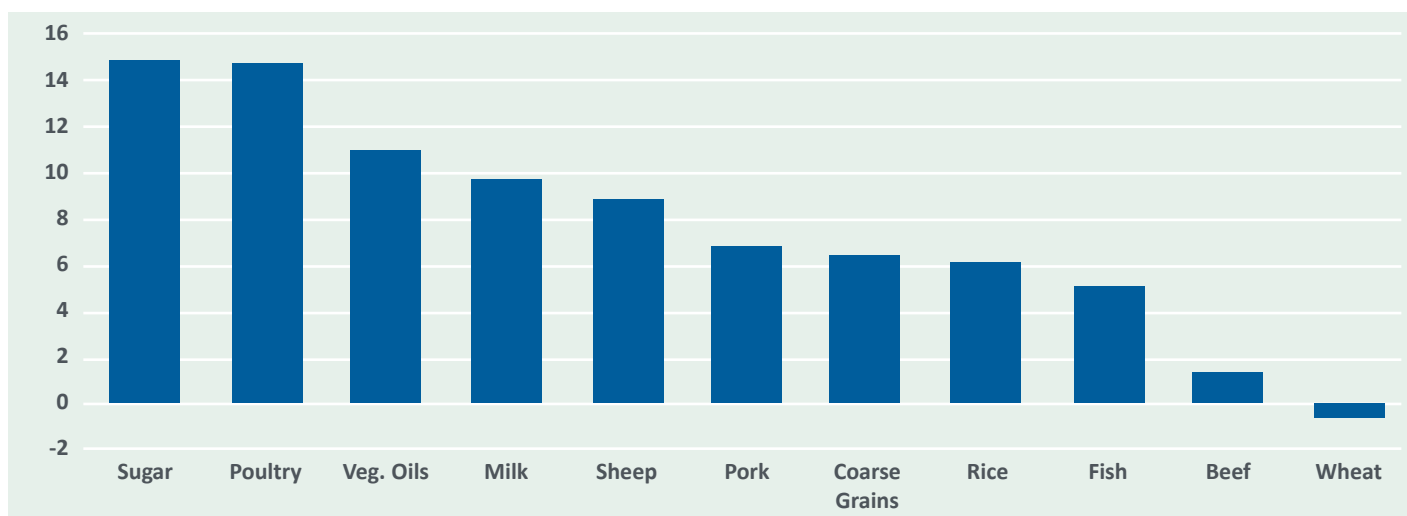


“The **Water Footprint** of a product (a commodity, good or service) is the total volume of freshwater used to produce the product, summed over the various steps of the production chain. The water footprint of a product refers not only to the total volume of water used; it also refers to where and when the water is used.” ([www.waterfootprint.org](http://www.waterfootprint.org))

©Mo Ibrahim Foundation

Source: Atlas des Futurs du Monde, 2010; Water Footprint.

**Growth in per Capita Consumption of Food Products (% , 2008 to 2020)**



Source: OECD-FAO, 2011

## RISING PRICES, GROWING VOLATILITY

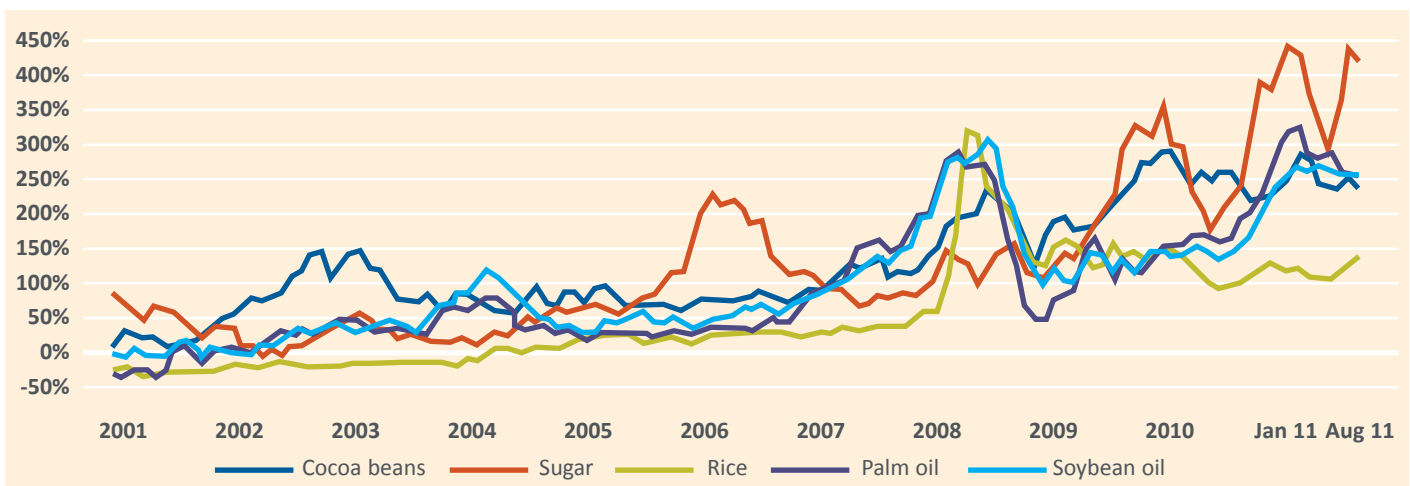
### PRICES: HIGHER AND MORE VOLATILE

Of the 20 highest increases in commodity prices between 2000 and 2009, 12 were agricultural commodities.

	Commodity	% change
4th	Cocoa	+283.9
6th	Sugar	+202.7
7th	Rice	+180.2
9th	Palm oil	+156.5
11th	Soya oil	+147.3
14th	Wheat	+110.2
15th	Soybeans	+108.2
16th	Corn	+100.3
17th	Soybean meal	+85.7
18th	Lamb	+74.1
19th	Coconut oil	+70.5
20th	Tea	+68.5

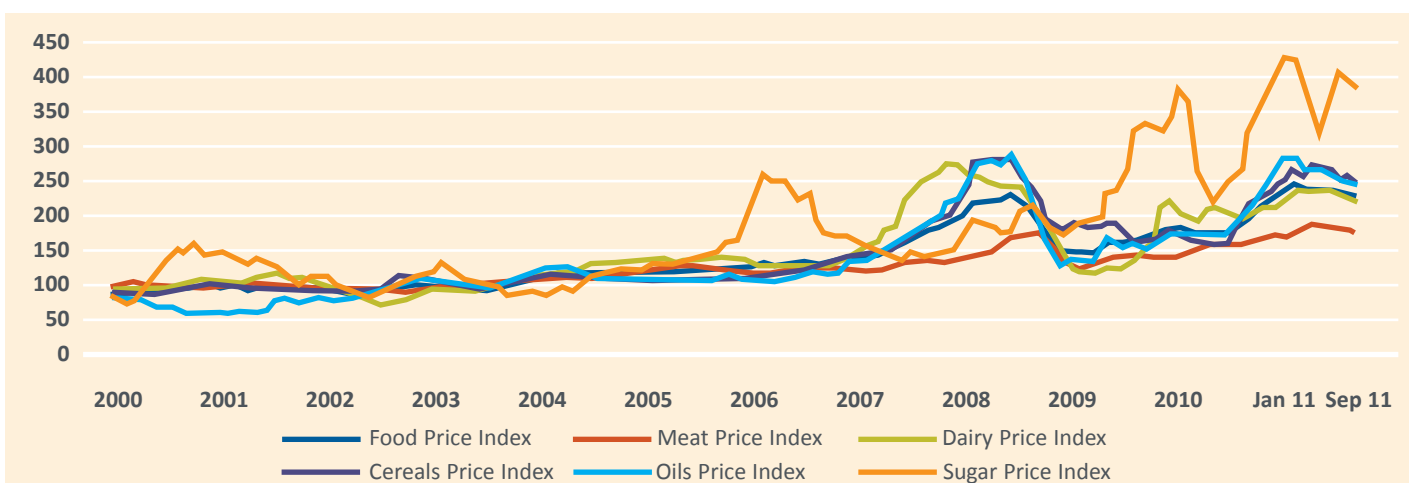
Source: EIU, 2010

### Agricultural Commodity Price Changes since 2000



Source: IMF

### Agricultural Commodity Indices (2000 = 100)



Source: FAOSTAT

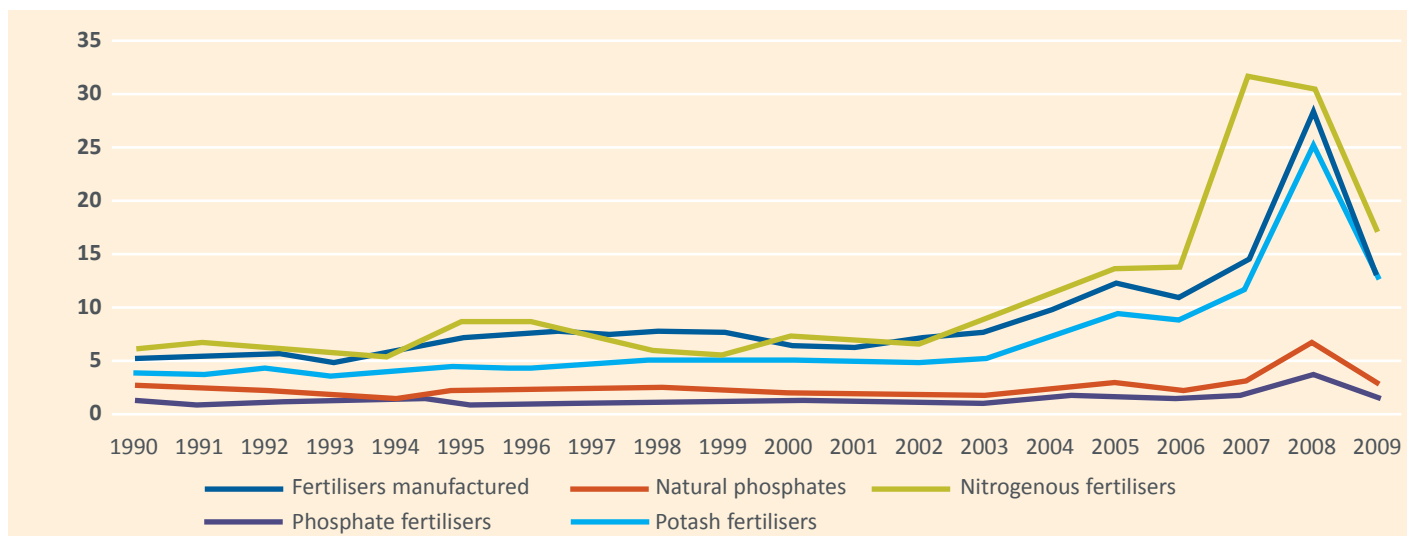
**ENERGY PRICES IMPACT HEAVILY ON FOOD PRODUCTION COSTS**

The cost of food production is directly linked to oil prices since fuel, including natural gas, is used in all stages of the agricultural production cycle - from sowing and fertilising, to harvesting and distribution. **Biofuels have strengthened this link.**

Crude oil<sup>15</sup> prices in January 2011 were over 280% higher than in 2000 and 26% higher than in January 2010. The cost of fertilisers rose 40% on average in the past year. Trade value of fertilisers has soared since 2003.

Fuel prices in Bujumbura, Harare, Kinshasa, Mogadishu and Nairobi increased by more than 20% between July 2010 and July 2011. In Addis Ababa over the same period, they rose by approximately 70%.

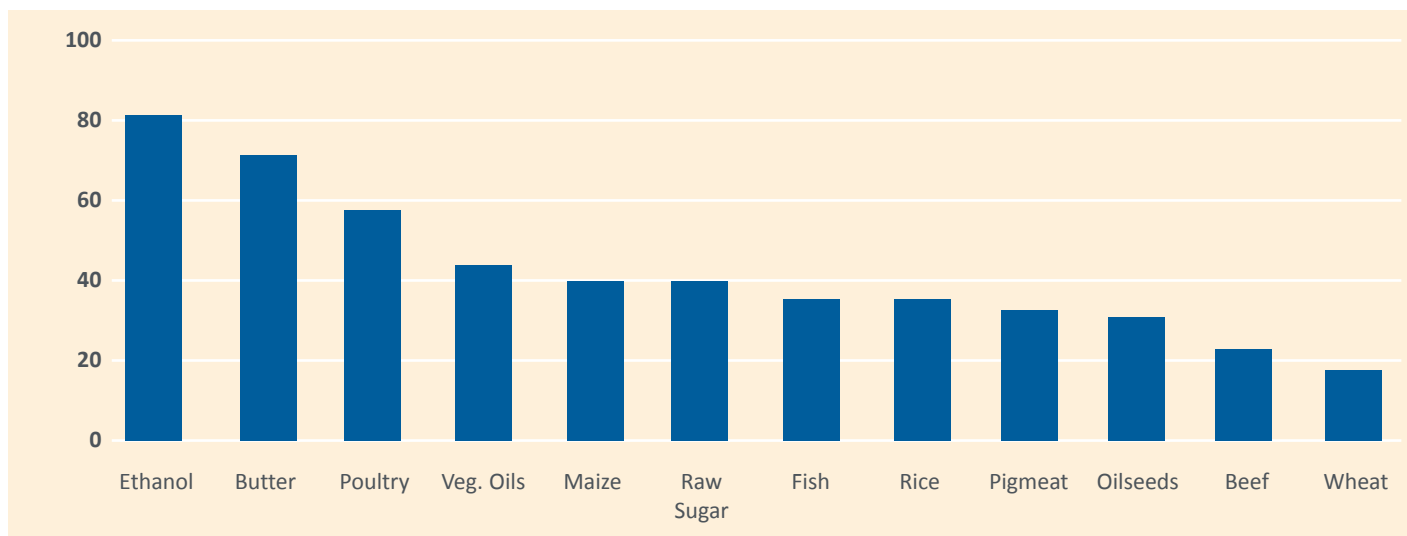
**Fertiliser Trade Values (US\$ millions)**



Source: FAOSTAT

**ALL AGRICULTURAL COMMODITY PRICES WILL BE HIGHER ON AVERAGE IN THE NEXT DECADE**

**Change in Average Nominal Prices in 2011 (% relative to 2001-2010 base period)**



Source: OECD-FAO, 2011

<sup>15</sup> Crude Oil (petroleum), dated Brent, light blend 38 API, US\$ per barrel - IMF, 2011.

## A NEW SPECULATION BUBBLE?

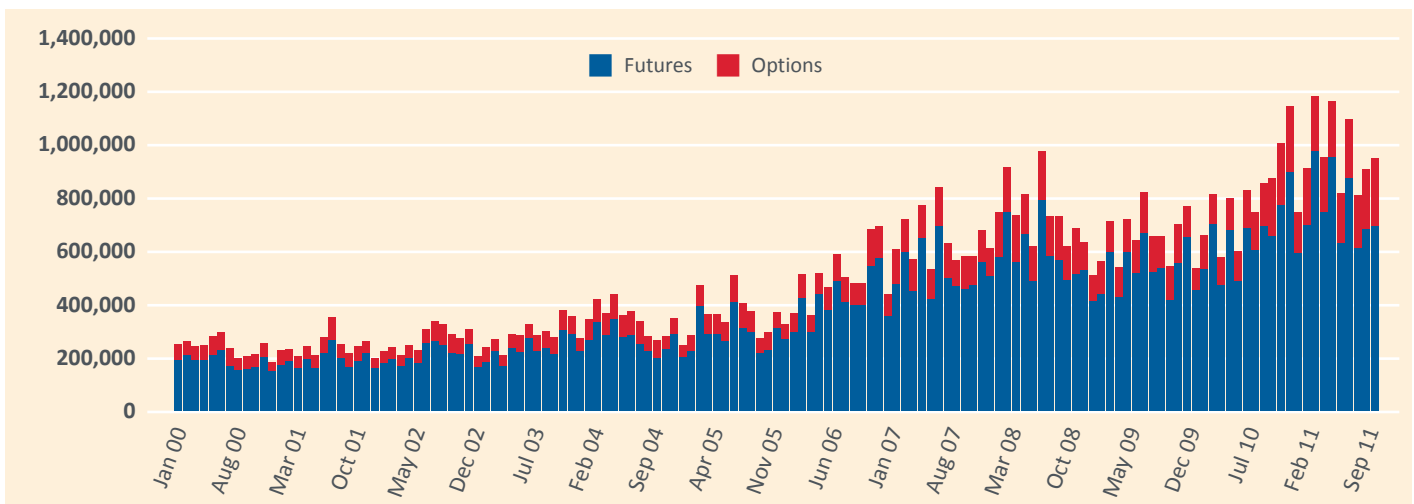
A growing number of experts now link the rising volatility of agricultural commodities since 2006 to financial intermediation and speculation by banks and hedge funds on futures markets, triggering heated debate. **Between 2003 and 2008, there was 250 times more investment in commodity index funds, which rose from \$13 billion to \$317 billion.** The World Bank now recognises the role played by the *'financialisation of commodities'* in price surges and declines and notes that price variability has overwhelmed price trends for important commodities<sup>16</sup>.

By exempting commodity futures trading from regulatory oversight, the Commodity Futures Modernization Act of 2000 (CFMA) has made this type of speculation possible. Although the Dodd-Frank Act has since included reforms to regulate commodity futures, the Commodity Futures Trading Commission (CFTC) has so far failed to reach agreement on implementation. The French G20 Presidency placed this issue on the global agenda, and the European Commission, under Commissioner Michel Barnier's direction, has recently initiated measures to regulate derivative markets and short selling.

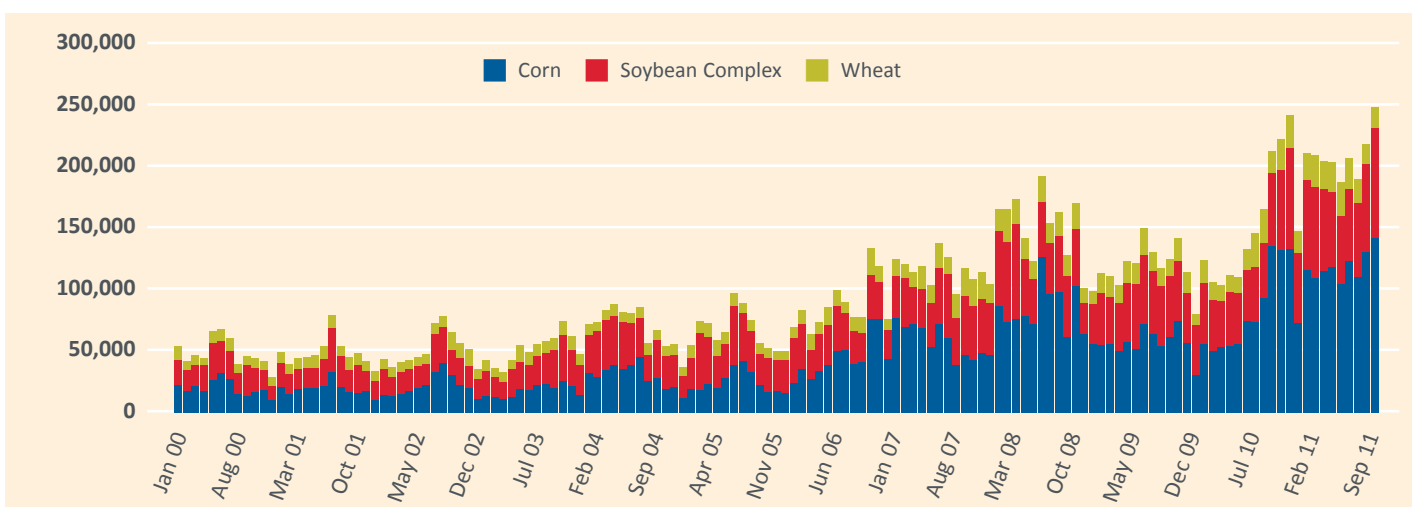
Index speculators have bought more commodities futures contracts in the last five years than any other group of market participant and are now the single most dominant force in commodity futures markets<sup>17</sup>.

- Between September 2010 and September 2011, the average daily volume for Corn Calendar Swaps rose by 249%.
- Over the same period the average daily volume for Oilseed complex futures was 90% higher and for Grain and Oilseed futures was 34% higher.

**Average Daily Volume of Grain and Oilseed Combined Futures and Options (contracts)**



**Average Daily Volume of Corn, Soybean and Wheat Options (contracts)**



Source: CME, 2011

<sup>16</sup> Baffis and Hanriotis, 2010

<sup>17</sup> IATP, 2011

## FOOD INSECURITY AND INFLATION: A TRIGGER FOR SOCIAL UNREST AND REGIONAL CONFLICTS?

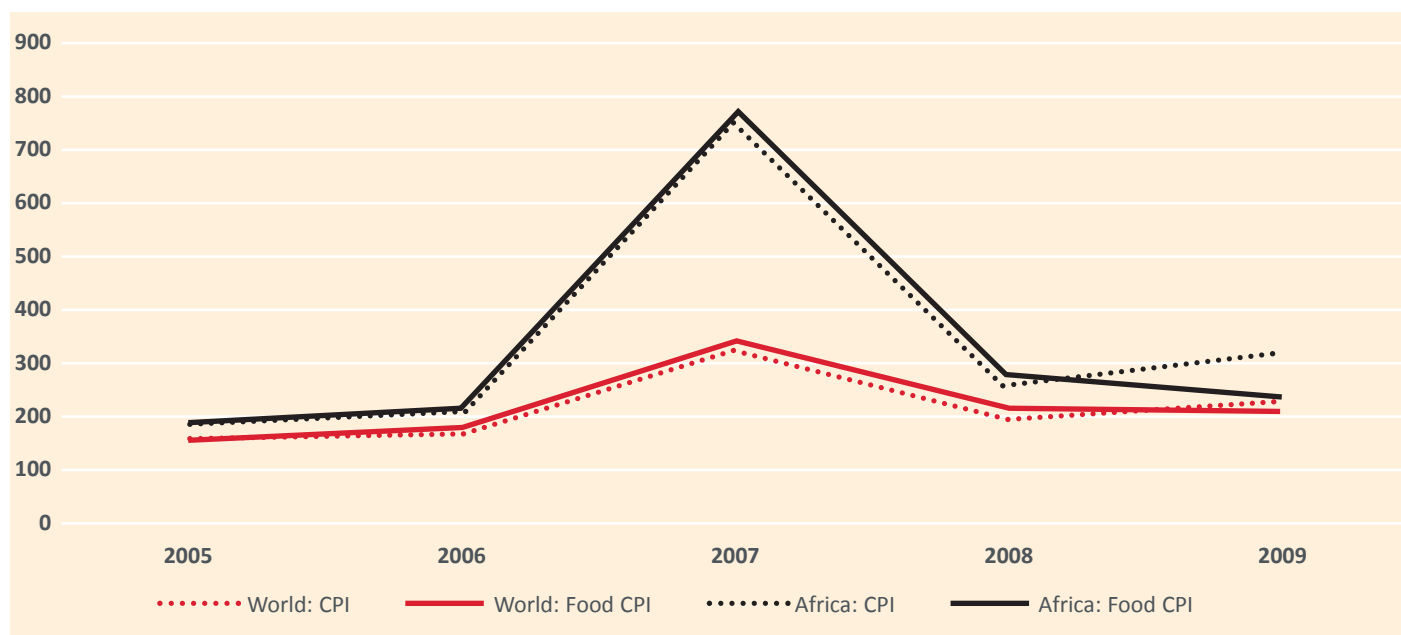
### FOOD PRICES AND INFLATION: A STRONG LINK IN DEVELOPING COUNTRIES

Sustained increases in domestic food prices are driving up inflation in several countries.

As poor families in developing countries spend between 50% and 80% of their incomes on food, high food prices have the greatest impact on the poorest, who have few coping strategies to deal with these shocks.<sup>18</sup>

Prolonged periods of high prices could make the achievement of global food security goals more difficult, putting low-income consumers at a higher risk of malnutrition.

Consumer Price Index: World and Africa (2000 = 100)



Sources: FAO and IMF

Many countries are struggling with the implications of high food prices, given their effects on poverty, inflation and, for importing countries, the balance of payments.

The 2008 food price crisis has resulted in a seven-fold increase in certain central commodity prices, driven 110 million people into poverty and added 44 million more to the undernourished population<sup>19</sup>.

### FOOD INSECURITY AND POLITICAL INSTABILITY: A VICIOUS CYCLE

- Food insecurity can increase the risk of governance failures and lead to protests, violence and civil conflict, while violent conflicts can in turn create food insecurity, malnutrition and famine. Thus food insecurity can perpetuate conflict and these links are strengthened in states with existing fragile markets and weak political institutions.
- Food price volatility caused much civil unrest in 2007 and 2008 when the prices of wheat doubled and rice tripled, especially in Burkina Faso, Cameroon, Côte d'Ivoire, Egypt, Mozambique and Senegal.
- Prolonged food insecurity damages livelihoods and forces an adjustment of production strategies. Immature crop consumption leads to consumption of alternative crops, which might cause a shift in production systems. Resulting migrations can in turn induce changes in mobility patterns and foster regional instability.

<sup>18</sup> IMF, 2011

<sup>19</sup> UNEP, 2009

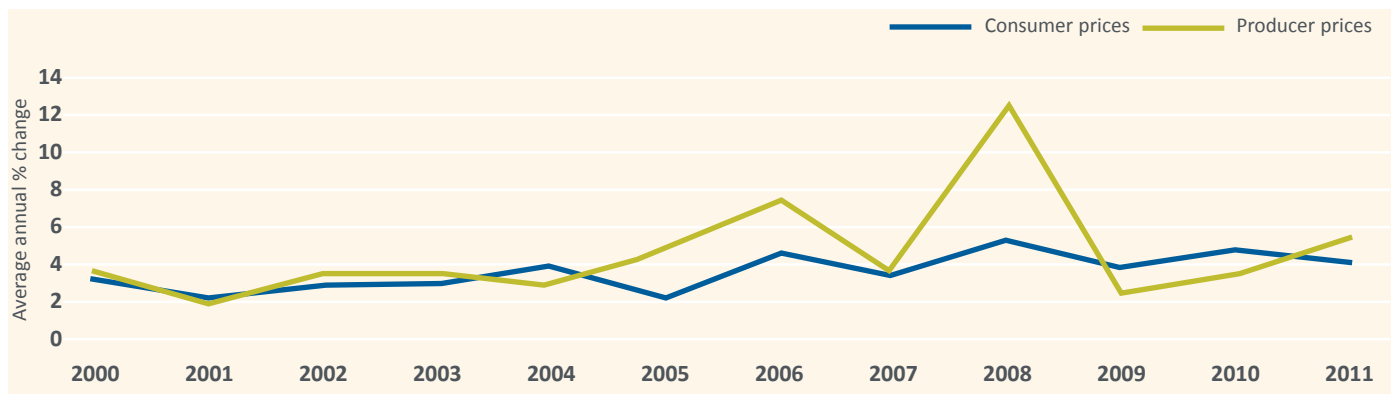


**THE TRIGGER EFFECT: SOME EXAMPLES**

**Tunisia**

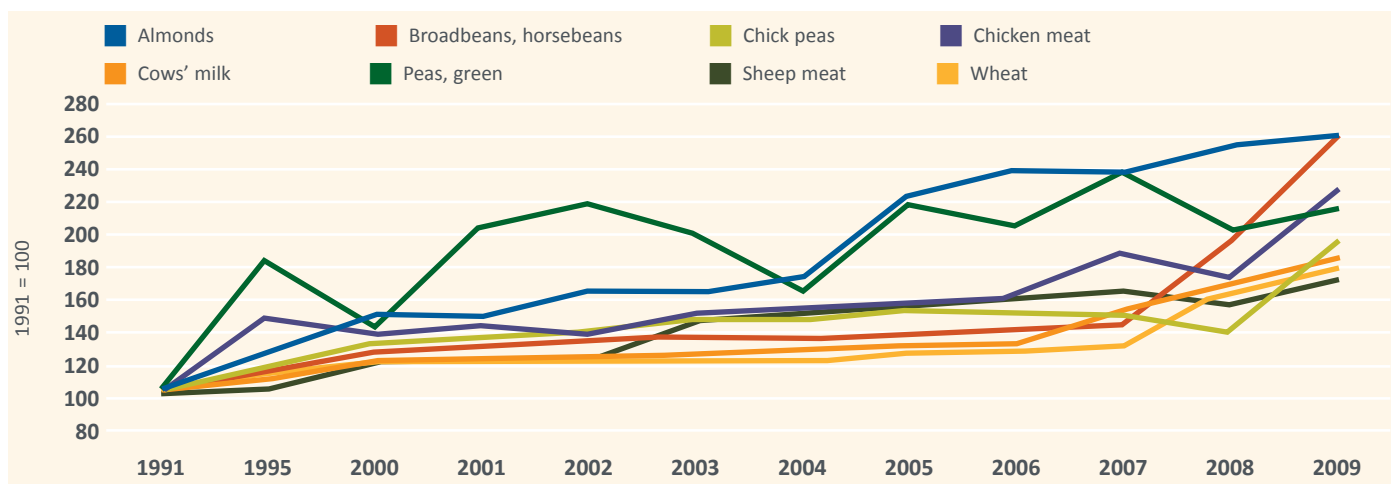
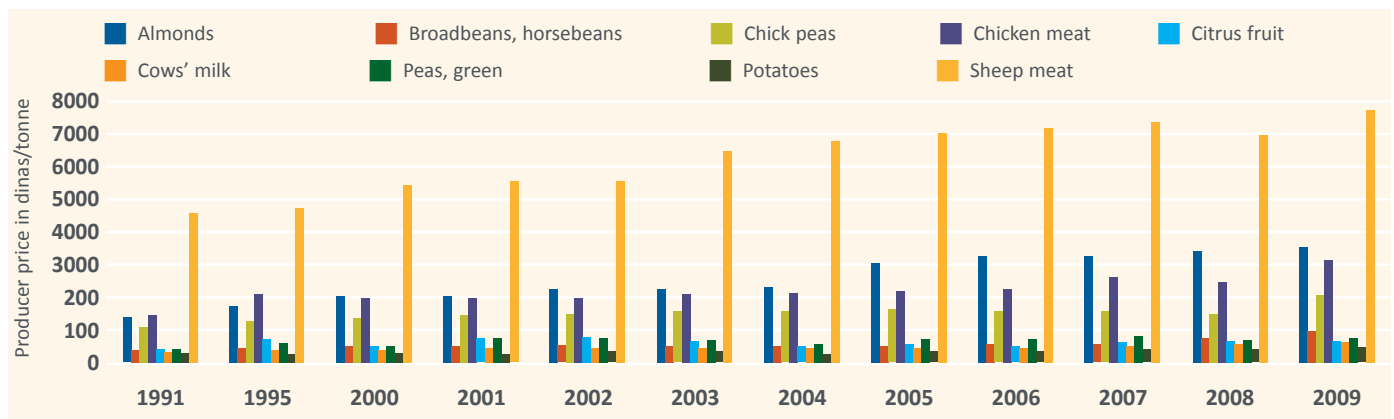
Among the issues Tunisians faced, including high unemployment, corruption, lack of political freedom and poor living conditions, food prices were a significant trigger for protests and the political uprising that ensued in 2011. Unrest continued despite former President Ben Ali belatedly vowing to reduce the price of staple foods such as sugar, milk and bread.

Food price inflation has been gradual in Tunisia. Between 2000 and 2009, the price of broad beans doubled. Chicken meat and potatoes were 62% more expensive, cows' milk and green peas 52% more expensive, and leguminous vegetables over 50% more expensive than in 2000. At the same time, growth in average Tunisian wages slowed down between 2008 and 2009, and 2010 and 2011 – from 5% to 3% and 4% to 3.6% respectively. Growth in real private consumption fell significantly from 6.4% in 2009 to 1% in 2010 and negative growth of 1.6% is expected by the end of 2011.



Source: EIU CountryData

**Changing Food Prices**



Source: FAOSTAT

## Sudan

**South Sudan** | Food security deteriorated in 2010 after conflict and displacements from a mix of inter-ethnic/tribal tensions, historical hostilities, revenge attacks and cattle raiding.

Continuous dry spells throughout 2010 led to consumption of early maturing crops, which has impacted prices into 2011. In the border region of Malakal, the price of the main staple, sorghum, increased by over 17% in one month (June to July 2011). As a result of restricted trade with Sudan, food prices range between 7% and 67% higher than a year earlier.

**Darfur** | The food crisis in Darfur is a result of the conflict that began as a communal resource conflict over land and water and is also a legacy of the devastating north-south civil war.

In Malakal and Darfur, food crises are still looming. Food availability has been significantly reduced due to on-going violence. Added to this, erratic rainfall threatens the harvest season and the prices of staple foods are set to increase steeply. The further disruption that this may cause to seasonal migration could re-fuel tensions between nomadic herders and farmers over water and land resources, in addition to the possibility of an outbreak of livestock disease.

## East Africa

Once again, following a familiar pattern, the Horn of Africa is facing an on-going food crisis following the failure of the late 2010 rains. The combination of devastating drought in the arid and semi-arid areas of the region alongside lack of governance on food security issues, conflict, civil unrest and heavy displacements has affected all countries of the region.

The number of severely affected people is now estimated at 4.8 million in Ethiopia, 3.7 million in Somalia and Kenya, and 200,000 in Djibouti. The current emergency status is not expected to improve to less severe crisis status until the end of 2011. The acute malnutrition rate has exceeded 40% in some areas of Somalia among children less than five years of age.<sup>20</sup>

Preceding these crisis levels, poor secondary season crops meant that domestic prices of key staple foods were soaring, fuel prices were increasing and stock levels were at a record low. High cereal prices are being sustained because of negative expectations over the outcome of the 2011 main season harvests and high international prices of wheat.

The price of maize doubled between June 2010 and 2011 in Kampala, Kigali and Mogadishu. Cereal prices are now at record levels. In Kenya, cereal price levels in August remained up to three times higher than 2010, exacerbated by high fuel prices and an export ban imposed by Tanzania. In Tanzania, the price of maize in August was more than 50% higher than a year earlier.

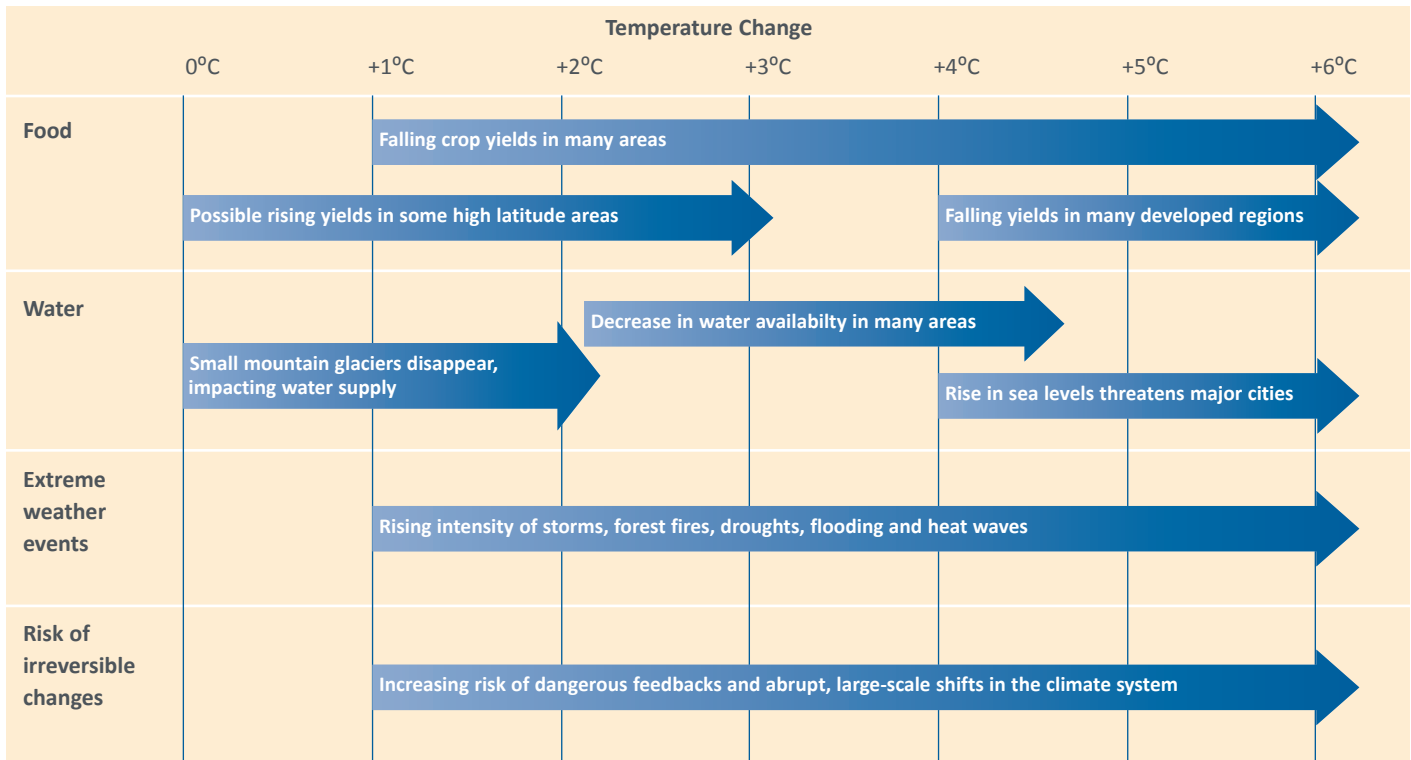
**Somalia** | The upward trend in cereal prices since August 2010 reflects the drought-reduced output, failure of the Deyr season crop (harvested in February), and sharply increased fuel prices, as well as hyperinflation, local currency depreciation and persistent insecurity. Prices of red sorghum and white maize have increased by 240% and 154% respectively in the last year and prices of imported commodities (rice, sugar, vegetable oil, wheat flour) are much higher than a year ago.

Famine has now been declared in six areas. However, famine is not the result of soaring prices alone. Aside from the failed Deyr rains and below average primary season rains (April to June 2011) causing crop and livestock losses, internal displacement, civil unrest, and instability have all played crucial roles. Food security crises have been historically recurrent. In 1992 the same elements of drought and war set off a famine that killed hundreds of thousands of people and started a cycle of international intervention.

<sup>20</sup> Food Price Watch, 2011

## SPOTLIGHT: IMPACT OF CLIMATE CHANGE

Global climate change may impact food production in numerous ways: changing overall growing conditions due to rainfall distribution and temperature changes, reducing crop yields and agricultural productivity, increasing the incidence of pest attacks, decreasing availability of water and through extreme weather conditions (droughts, floods and storms).



Source: Adapted from Stern Review, 2008

- In Africa, between 75 and 250 million more people will be exposed to increased water stress by 2020 due to climate change.
- For smallholder farmers, climate change means they cannot rely on traditional patterns for agricultural production, such as rainy seasons and predicting temperatures.
- The frequency and intensity of floods and droughts lessen recovery time and place, further importance on accumulation of knowledge and skills for climate change adaptation. Changes in rainfall also mean changes in growing seasons and crops.

### How to Reverse the Impacts

- **Adaptation** – activities that enable people and ecosystems to adjust and reduce their vulnerability to the impact of climate change.
- **Mitigation** – measures taken to reduce or eliminate greenhouse gas emissions into the atmosphere including: energy efficiency and conservation; switching to cleaner and renewable energy sources; capturing methane from coal mines and landfill sites; and changing land-use practices.
- **Technologies** – cleaner and more advanced tools and plants that can tolerate climate variability better. Research and development, information exchange and training that create farming systems more resilient to climate change.
- **Financing** – ensuring policies encourage private and public investment into more climate friendly alternative technologies and spread the risk across the private and public sectors.

## COUNTING ASSETS

### A RURAL CONTINENT

In 2020, Africa's rural population as % of total population will still be higher than the world average and **over twice that of Europe**.

	Rural population (%)	
	2010	2020
<b>Africa</b>	<b>60.0</b>	<b>55.4</b>
Asia	57.8	52.8
Europe	27.2	24.6
Latin America and the Caribbean	20.4	17.4
Northern America	17.9	15.4
World	49.5	45.6

Source: FAOSTAT

### MAINLY SMALLHOLDERS

- Small-scale producers **contribute over 90% of Africa's agricultural production**.
- More than ⅔ of Africans depend on small or micro-scale farming as their primary source of livelihood.
- **80% of smallholders own less than two hectares of land.**
- Developing smallholder farming means ensuring food security, alleviating poverty and preventing unruly urbanisation.

#### Maximising smallholders' potential

- Increase their access to finance and business, marketing and technical skills, as well as ICTs.
- Increase their influence on, and incorporate local knowledge and skills into, agricultural research agendas.
- Increase their access to natural resources and inputs, such as fertilisers, improved seeds and planting material.
- Share information about markets and strengthen vulnerability to economic stresses, particularly to commodity price volatility.
- Mitigate risks and promote adaptation to increase security in the face of weather shocks and climate change.

### A YOUNG MAJORITY

- Two thirds of Africa's population are aged under 25 years
- Youth aged 15-24 make up **20%** of the total population of Africa.
- **70% of Africa's youth live in rural areas.**
- Youth inactivity rates in North Africa and sub-Saharan Africa are **62%** and **42%**.
- **Youth make up 40% of the total unemployed in Africa.**
- They account for **60%** of total employment in agriculture in Africa.
- By 2040 Africa will be home to **one in five** of the world's young, and will have the largest working age population.

### WORKING WOMEN

- Women comprise over **50% of the agricultural labour force** in sub-Saharan Africa.
- In sub-Saharan Africa, women grow **80-90%** of the food.
- **Women own less than 2% of all land in Africa.**
- They receive less than **10%** of all credit going to small farmers and **have access to only 5% of the resources** provided through extension services.
- Giving women the same access as men to agricultural inputs could increase yields by **20-30%**, reducing the number of hungry people in the world by **100-150 million**.

## FILLING THE GAPS

### SECURING LAND RIGHTS

- **More than 90% of land remains outside any formal legal system in Africa.**
- Inheritance laws and customary practices in some countries exclude individuals, specifically women and orphaned children, from inheriting property.
- With the increasing trend in land acquisitions, there is significant risk of marginalisation of the land rights of African communities.

#### Framework and Guidelines on Land Policy in Africa (2009)

Launched by the AU, AfDB and UNECA, this framework was endorsed by the Joint Conference of Ministers of Agriculture, Land and Livestock held in April 2009 in Addis Ababa, Ethiopia. The AU<sup>21</sup> followed this with the adoption of the "Declaration on Land Issues and Challenges in Africa".

Principles which should inform land policies in African member states include:

- Offering a basis for commitment by member states to the formulation and operationalisation of land policies
- Promoting consensus for shared principles as the basis for securing access to land for all users
- Emphasising the need for popular participation in land policy formulation and implementation
- Proposing standards for best practices for land policy reforms and benchmarks for performance
- Articulating a policy framework for addressing emerging issues and trends relating to land resources
- Providing a basis for more coherent partnership between states, citizens and development partners in land policy formulation and implementation
- Establishing general principles to engage partners to mobilise resources to build capacity for land policy reform processes
- Developing guidelines for regional convergence on the sustainable management and utilisation of land and related resources

#### Best Practice: The Land Tenure Reform Act (2007) in Burkina Faso

A new policy, adopted in 2007, and a specific law for rural land tenure in 2009, have given communities the opportunity to draw on local custom to develop a land tenure charter that regulates their use of common resources. These new laws provide distinctive programmes to allocate developed land to the youth, women, and herders. The law emphasises the importance of conflict resolution with regards to land tenure, making negotiation mandatory before any dispute can undergo legal proceedings.

### MECHANISING PRODUCTION

#### Average tractors per 100km<sup>2</sup> of arable land

World: 200	South Asia: 129	Africa: 13
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Source: Kormawa, 2011

In 2007 there were approximately 626,000 tractors in Africa, for over 200 million people economically active in agriculture<sup>22</sup>, which represents approximately one tractor per 320 people economically active in agriculture. Currently, it is estimated that 3.5 million tractors would be needed to bring Africa up to the level of other regions.<sup>23</sup>

#### Mechanisation on Some National Agendas

##### Farmers' cooperatives for pooling agricultural machinery

- Benin: A system of cooperatives was launched in 1995. At end of 2009, 116 of these were highly active.

##### Training for technicians and users of agricultural equipment

- Congo: Government is subsidising training of youth to drive farm vehicles at the Institute of Rural Development.
- Cameroon: 2000 drivers and mechanics are being trained on the fringe of an assembly plant at Ebolowa.
- Madagascar: Agricultural machinery centre at Antsirabe is establishing a training institute for engineers in agri-mechanisation.

##### Local manufacturing and assembly of machinery

- Mali: In 2009 an assembly plant for tractors and accessories was opened at Samanko, in partnership with an Indian company.
- Chad: An industrial plant for assembling tractors has started operations in N'Djamena.

<sup>21</sup> 13th Ordinary Session of the African Union Assembly of Heads of State and Government, July 2009, Sirte, Libya.

<sup>22</sup> FAO Statistical Yearbook, 2010

<sup>23</sup> SPORE, 2011

## PREVENTING FOOD LOSSES

- In developing countries more than 40% of food losses occur at post-harvest and processing stages.
- **Post-harvest losses of food cereals in sub-Saharan Africa are estimated at 25% of the total crop harvested.**

### Food Losses in Developing Countries

Causes	Solutions
Failure to comply with minimum food <b>safety standards</b> ; poor and unhygienic <b>handling and storage conditions</b> ; and lack of adequate <b>temperature control</b> cause food to become unsafe for consumption.	Development of <b>knowledge</b> and the capacity of food chain operators to apply safe food handling practices and storage hygiene. Funds and loans to facilitate the diffusion of better storage containers.
Lack of infrastructure for adequate <b>transportation, storage, cooling and selling</b> put fresh products like fruits, vegetables, meat and fish at risk of being spoiled due to climatic conditions.	Improvement of <b>infrastructure</b> - roads, energy and markets. <b>Private sector investments</b> can also improve storage, cold chain facilities and transportation.
Lack of facilities with the <b>capacity to process and preserve</b> fresh farm produce.	Creation of a better <b>investment climate</b> to stimulate private sector investment in the food industry and to work more closely with farmers to address supply issues.
Inadequate <b>market systems</b> and an insufficient number of <b>wholesale, supermarket and retail facilities</b> providing suitable storage and sales conditions for food products.	Introduction of more <b>marketing cooperatives</b> , that provide a point for assembling produce from small farmers and preparing commodities for transportation to markets and other distribution channels.

### Grain Losses in Sub-Saharan Africa

Physical grain losses, prior to processing, can range from 10% to 20%.

Post-harvest **grain losses in sub-Saharan Africa could total \$4 billion per year. This lost food:**

- could meet the minimum annual food requirements of at least 48 million people
- **is on a par with the value of annual cereal imports<sup>24</sup>**

It is estimated that with a 1% reduction in post-harvest losses, annual gains of \$40 million are possible.

<sup>24</sup> Annual cereal imports of sub-Saharan Africa had a value of \$3 to \$7 billion between 2000 and 2007.

## CONNECTING FARMERS

### Technology

Monitoring world food supply, production and shortages	Monitoring agriculture and soil
<b>Remote sensing infrastructure</b> including high resolution radiometers, and imaging spectrometers (on satellites and aircraft).	<b>Stand-alone sensors</b> which measure air temperature, atmospheric pressure and humidity.
<b>ICT equipment</b> including PCs, PDAs, servers, mainframes, network databases and software for food security analysis.	<b>Ubiquitous Sensor Networks (USN)</b> whose sensor nodes are placed in the field.
<b>Geographic Information Systems (GIS)</b> to store and analyse statistical data and integrate varying databases.	<b>Telemetry units</b> transmitting air temperature, humidity and solar radiation using cellular networks.

### Potential for E-Agriculture

- **Rural radio** – achieves wide coverage and is relatively inexpensive, e.g. *FAO Rural Radio* in Africa.
- **SMS technology** – mobile phone and web-based services that help farmers achieve better yields and secure better prices by sharing knowledge regarding weather forecasts and local price information direct to their phones, e.g. Esoko (formally Tradenet).
- **Telecentres** – provide rural populations with access to the internet, telephone and fax services and enhance communication with potential buyers, e.g. Buwama Community Multimedia Centre in Uganda and the regional Southern Africa Telecentre Network in Zambia.
- **E-learning** – rural education and online toolkits to train individuals and support institutions and networks in the effective management of agricultural information e.g. Information Management Resource Kit (IMARK), led by the FAO in partnership with organisations such as the Technical Centre for Agricultural and Rural Cooperation ACP-EU.

### Best Practice: Esoko

Established in Ghana under the name Tradenet, Esoko works with partners in **over 15 countries**, offering businesses and farmers the opportunity to cost-effectively share information. The Esoko software offers **many services including SMS alerts regarding food prices and weather forecasts** to field polling via SMS. The platform is available in English, French, Arabic and Portuguese.

- Success is demonstrated in **Ghana** where **the use of the Esoko SMS alert service has improved revenue of grain and fruit farmers by 40%**.
- USAID has recently begun working with Esoko to integrate Malawian smallholder farmers into more efficient national and regional markets, though the distribution of prices of commodities via SMS.

### Early Warning Systems

Designed to alert different actors to potential food security related problems. Systems already in operation include:

Global	Regional
<b>GIEWS</b> – Global Information and Early Warning System (FAO)	<b>GMFS</b> – Global Monitoring for Food Security (ESA)
<b>FEWS Net</b> – Famine Early Warning Systems Network (USAID)	<b>REWS</b> – Regional Early Warning System (REWS) (SADC)
<b>VAM</b> – Vulnerability Analysis and Mapping (WFP)	<b>ICPAC</b> – IGAD Climate Prediction and Applications Centre (IGAD)
<b>MARS</b> – Monitoring Agriculture Resources Unit – FOODSEC action (EC/JRC)	

## RESEARCH: TOO MANY INSTITUTIONS, NOT ENOUGH RESOURCES

### Global Forum on Agricultural Research (GFAR)

Established in 1996, GFAR is a stakeholder-led initiative that serves as a forum for discussion and action on critical issues related to agricultural research for development. Financial support is provided through a multi-donor trust fund maintained at the FAO. GFAR operates through six independently managed regional fora, with Africa represented through FARA.

### Forum for Agricultural Research in Africa (FARA)

Established in 2001, FARA's three founding members are ASARECA (Association for Strengthening Agricultural Research in East and Central Africa), WECARD (West and Central African Council for Agricultural Research and Development) and SADC-FANR (Southern African Development Community-Food Agriculture and Natural Resources). Its responsibilities include advocacy and resource mobilisation, supporting networking for the implementation of CAADP Pillar IV, promoting compliance with FAAP principles and engaging with the global community, especially with GFAR and CGIAR.

### Regional Universities Forum for Capacity Building in Agriculture (RUFORUM)

Established in 2004, RUFORUM is a consortium of 29 universities in Eastern, Central and Southern Africa. Its mandate is to oversee graduate training and networks of specialisation in COMESA countries and it operates through research and training programmes. The RUFORUM post-graduate training programme is designed to augment the pool of agricultural researchers and policy professionals in sub-Saharan Africa by supporting graduate studies in agriculture and related fields and by enhancing capabilities in member universities. RUFORUM offers regional MSc/M.Phil programmes, PhD programmes, Student Field Attachment Programmes and short targeted courses.

### Universities, Businesses, and Research in Agricultural Innovation (UniBRAIN)

UniBRAIN aims to address African universities' insufficient capacity to meet the needs of industry, by promoting agricultural innovation and improving tertiary agribusiness education on the continent. The initiative is being implemented by a consortium led by FARA. It promotes innovation by improving the flow of technology and knowledge, by removing barriers between actors in the value chains, and linking university education, research and business in sustainable agriculture.

### African Women in Agricultural Research and Development (AWARD)

Established in 2008, AWARD aims to help women increase their contributions in the fight against hunger and poverty in sub-Saharan Africa. It is a professional development program offering fellowships that strengthen the research and leadership skills of African women in agricultural science, thus empowering them to contribute more effectively to poverty alleviation and food security. Fellows remain in their place of employment or study, while benefiting from mentoring partnerships, building science skills, developing leadership capacity and having their learning tracked, monitored and evaluated.

#### Best Practice: Brazil and China | Between U\$1 - 2 billion on Agriculture Research

- The Brazilian Research Institution Embrapa has an agricultural research and development budget of approximately \$1.1 billion.
- China's agricultural research budget has increased by nearly 10% since 2001, totalling \$1.8 billion in 2007.

## DATA AND STATISTICS: A HUGE GAP

Agro-sectors need information regarding land use, commodity prices, climatic changes and natural forecasts.

### Strengthening capacity at the country level

- Developing capacity and increasing human capital within the units responsible for collection, compilation, analysis and dissemination of agricultural statistics.
- Improving capacity to appropriately analyse data for use in policy formulation.
- Increasing the allocation of funds from development partners and national budgets for agricultural statistics.
- Facilitating institutional coordination to ensure harmonisation of data sources.
- Increasing access to adequate technical tools, statistical methodology and survey framework.
- Encouraging respondents to engage with questionnaires used by institutions to collect data.
- Encouraging ministries of agriculture and related organisations responsible for sectors such as land, water use and fisheries to liaise with each other.

### Sharing capacity at the regional level

- African Commission on Agricultural Statistics (AFCAS) brings together statistics officials from FAO member countries in Africa, who are responsible for the development of agricultural statistics in their respective countries. Through bi-annual meetings, ideas on the state of food and agricultural statistics are reviewed and exchanged and member countries are advised on the development of their agricultural statistical systems.



## SPOTLIGHT: A GREEN REVOLUTION IN AFRICA?

### Key Aspects of a 'Green Revolution for Africa'

- Scale up proven techniques in **small-scale irrigation and water harvesting** to provide "more crop per drop".
- Develop improved food crops through publicly-funded **research** focused specifically on Africa.
- Restore soil health through agroforestry techniques and organic and mineral **fertilisers**.
- Electrification and access to **information technologies**, such as cell phones, to increase rural productivity.
- Home-grown school feeding programs to provide **nutritionally balanced meals**, further stimulating demand from local farmers.
- **Social safety nets**, from grain reserves to early warning systems, to protect the most vulnerable.<sup>25</sup>

### Alliance for a Green Revolution in Africa (AGRA)

Established in 2006 through a partnership between The Rockefeller Foundation and the Bill and Melinda Gates Foundation with additional funding from DFID. Three main goals to be achieved by 2020:

- Reduce food insecurity by 50% in at least 20 countries.
- Double the incomes of 20 million smallholder families.
- Put 15 countries on track for attaining and sustaining a uniquely African Green Revolution; one which supports smallholder farmers, protects the environment, and helps farmers adapt to climate change.

#### AGRA's Integrated Approach – Five Pillars:

- **Seeds Programme** - supports the breeding of improved seeds and works to ensure access to quality seeds.
- **Soil Health Programme** - improves farm productivity by increasing access to locally appropriate soil nutrients and encouraging soil and water management.
- **Market Access Programme** - aims to expand market access for smallholder farmers.
- **Policy and Partnerships Programme** - aims to ensure support for smallholder farmers on a national, regional and global level and establish effective partnerships to organise resources and expertise.
- **Initiative on Innovative Finance** - works with Africa's financial institutions and other partners to increase access to low interest loans for smallholders and agribusinesses.

### Best Practice: Agricultural Input Subsidy Programme (AISP), Malawi

After a severe drought in 2005, the government of Malawi introduced an input subsidy programme. With a state coupon the price of a bag of fertiliser fell from 6,500 kwacha to 900 kwacha and a 2kg bag of hybrid maize seed from 600 kwacha to 30 kwacha.

Despite donor reluctance to support the programme, it was a huge success. It is estimated to have raised national maize production from 26% to 60%. Per capita maize output increased from 145kg in 2004 to 258kg in 2007.

The programme has contributed to wider economic growth and poverty reduction through increased food availability and higher real wages.

<sup>25</sup> 2004 meeting of a group of African Heads of State and Government.

## THE GREEN REVOLUTION IN ASIA: MIXED IMPACTS?

In response to widespread malnutrition and hunger and severe climatic conditions in Asia by the mid-1960s, the Rockefeller and Ford Foundations led the way in developing technology that increased agricultural productivity. Improvements in productivity were facilitated by the introduction of high yielding crop varieties (HYVs), enhanced management techniques and increased use of pesticides and fertilisers.

The breeding of improved varieties of rice and wheat led to dramatic yield increases: by 1970, 20% of wheat area and 30% of rice area in Asian countries were planted with HYVs and by 1990 the share had increased to about 70% for both crops. Between 1970 and 1995, cereal and calorie availability per capita in the region increased by nearly 30%.

### Positive impacts

- Doubling of rice and wheat yields increased farmers' incomes.
- Increased farmers' incomes led to a general increase in demand for goods and services and stimulated rural non-farm economy which generated higher returns and employment.
- Real per capita incomes doubled in Asia.
- Absolute number of people in poverty fell from 1.2 billion in 1975 to 825 million in 1995, despite 60% increase in population.
- Smallholder farmers benefitted from increased production, greater employment opportunities and higher wages.

### Negative impacts

- Smallholder farmers lagged behind larger farm holders, and were negatively affected by lower product prices, higher input prices and efforts to increase rents and force tenants off land.
- Unnecessary mechanisation pushed down rural wages and employment.
- The Green Revolution only spread in irrigated and high potential rain fed areas. Regions without sufficient water were excluded.
- Environmental damage from excessive use of fertilisers and pesticides polluted waterways, poisoned agricultural workers and killed wildlife.
- Increased irrigation led to salt build up and abandonment of best farming lands.
- Groundwater levels retreated in areas where more water was being pumped for irrigation than could be renewed by rainfall.
- Heavy dependence on a few major cereal varieties resulted in loss of biodiversity on farms.
- Researchers found that cumulative global emissions since 1850 would have been one third as much without the Green Revolution's higher yields.

Sources: IFPRI, 2002 and BBC, 2010

### Potential Impacts for Africa<sup>26</sup>

- Learning from this experience, Africa could increase the value of its agricultural output from \$280 billion to approximately \$500 billion by 2020 and **\$880 billion by 2030**.
- The value of the continent's agricultural production could grow twice as fast over the next 20 years as it has over the last decade.
- Nearly three quarters of the absolute increase in output could occur in the 11 countries with the largest commercial farming opportunities: Angola, Cameroon, Côte d'Ivoire, Ethiopia, Ghana, Kenya, Madagascar, Mozambique, Nigeria, Sudan, and Tanzania.

26 McKinsey Global Institute, 2011

## MAKING MONEY FROM AGRICULTURE

### World's Top 10 Agricultural Producers

Country (global rank in GDP)	World rank for select commodities	Agriculture production value (US\$ billions)	GDP from agriculture (%)	Population active in agriculture (%)
<b>China (3)</b>	<b>1st</b> Wheat, Rice, Tea, Cotton <b>2nd</b> Coarse grains <b>3rd</b> Major oil seeds, Raw sugar	780	10.2	60.8
<b>United States (1)</b>	<b>1st</b> Sorghum, Maize, Cows' milk <b>2nd</b> Tomatoes, Hens' eggs <b>3rd</b> Wheat, Onions, Sugar beet	267	1.1	1.6
<b>India (10)</b>	<b>1st</b> Papayas, Mangoes, Millet <b>2nd</b> Wheat, Rice, Sugar cane, Tea <b>3rd</b> Tobacco, Hens' eggs	218	18.5	54.4
<b>Brazil (8)</b>	<b>1st</b> Oranges, Sugar cane, Coffee <b>2nd</b> Soya beans, Papayas, Tobacco <b>3rd</b> Castor oil seed, Gums natural, Pepper	124	5.8	11.0
<b>Japan (2)</b>	<b>2nd</b> Onions (green) <b>3rd</b> Spinach, Persimmons <b>4th</b> Hens' eggs, Tangerines	92	1.4	2.2
<b>Indonesia (18)</b>	<b>1st</b> Cloves, Palm oil, Coconuts <b>2nd</b> Cocoa beans, Pepper, Nuts <b>3rd</b> Rice (paddy), Ginger, Avocados	71	15.3	41.4
<b>Russia (12)</b>	<b>1st</b> Barley, Raspberries, Gooseberries <b>2nd</b> Carrots and turnips, Peas (dry), <b>3rd</b> Pumpkins, Potatoes, Rye	69	4.0	8.0
<b>France (5)</b>	<b>1st</b> Sugar beet, Mixed grain <b>2nd</b> String beans, Hempseed, Duck meat <b>3rd</b> Mixed grain, Barley, Broad beans	67	2.0	2.0
<b>Nigeria (44)</b>	<b>1st</b> Melonseed, Yams, Cassava <b>2nd</b> Citrus fruit, Okra, Sweet potatoes <b>3rd</b> Palm oil, Maize, Goat meat	65	30.0	24.9
<b>Turkey (17)</b>	<b>1st</b> Apricots, Hazelnuts, Cherries <b>2nd</b> Chick peas, Watermelons, Strawberries <b>3rd</b> Walnuts (with shell), Chillies, Honey	65	9.6	32.3

Sources: FAOSTAT, WDI and CIA World Factbook. Data are for 2008 and 2009, except for % GDP from agriculture, which are from 2010.

## World's Top 5 Agribusinesses

	Turnover (US\$bn)	Market Capitalisation (US\$bn)	Employees	Activities
Cargill (USA)	119.5	-	138,000	Buying, processing and distributing grains, oilseeds and other commodities; providing crop and livestock producers with products and services; and providing food and beverage manufacturers with ingredients. <b>Africa Presence</b>   Algeria, Côte d'Ivoire, Egypt, Ghana, Kenya, Malawi, Morocco, South Africa, Zambia, Zimbabwe.
Archer Daniels Midland (USA)	69	20	30,000	Transporting, storing and processing corn, oilseeds, wheat and cocoa into products for food, animal feed and chemical and energy uses. <b>Africa Presence</b>   Cameroon, Côte d'Ivoire and Ghana.
Bunge (Bermuda)	46	9	32,000	Originating oilseeds and grains; crushing oilseeds and sugarcane for food and energy; milling wheat and corn for food processors, bakeries, breweries; and selling fertiliser to farmers. <b>Africa Presence</b>   Egypt, Morocco, South Africa.
Wilmar International (Singapore)	30	34	88,000	Cultivating oil palm; crushing oilseeds, refining edible oils; manufacturing sugar, speciality fats, oleochemicals and biodiesel; and processing grains. <b>Africa Presence</b>   Cameroon, Congo, Côte d'Ivoire, Egypt, Ethiopia, Ghana, Kenya, Mozambique, South Africa, Togo.
Louis Dreyfus Commodities (France)	20	-	34,000	Processing, trading and merchandising of agriculture and energy commodities. <b>Africa Presence</b>   Angola, Burkina Faso, Burundi, Cameroon, Côte d'Ivoire, Egypt, Ghana, Kenya, Madagascar, Mali, Senegal, South Africa, Tanzania, Uganda.

Sources: Financial Times, 2010; Forbes, 2011 and Yahoo Finance

## World's Top 10 Food Processing Companies

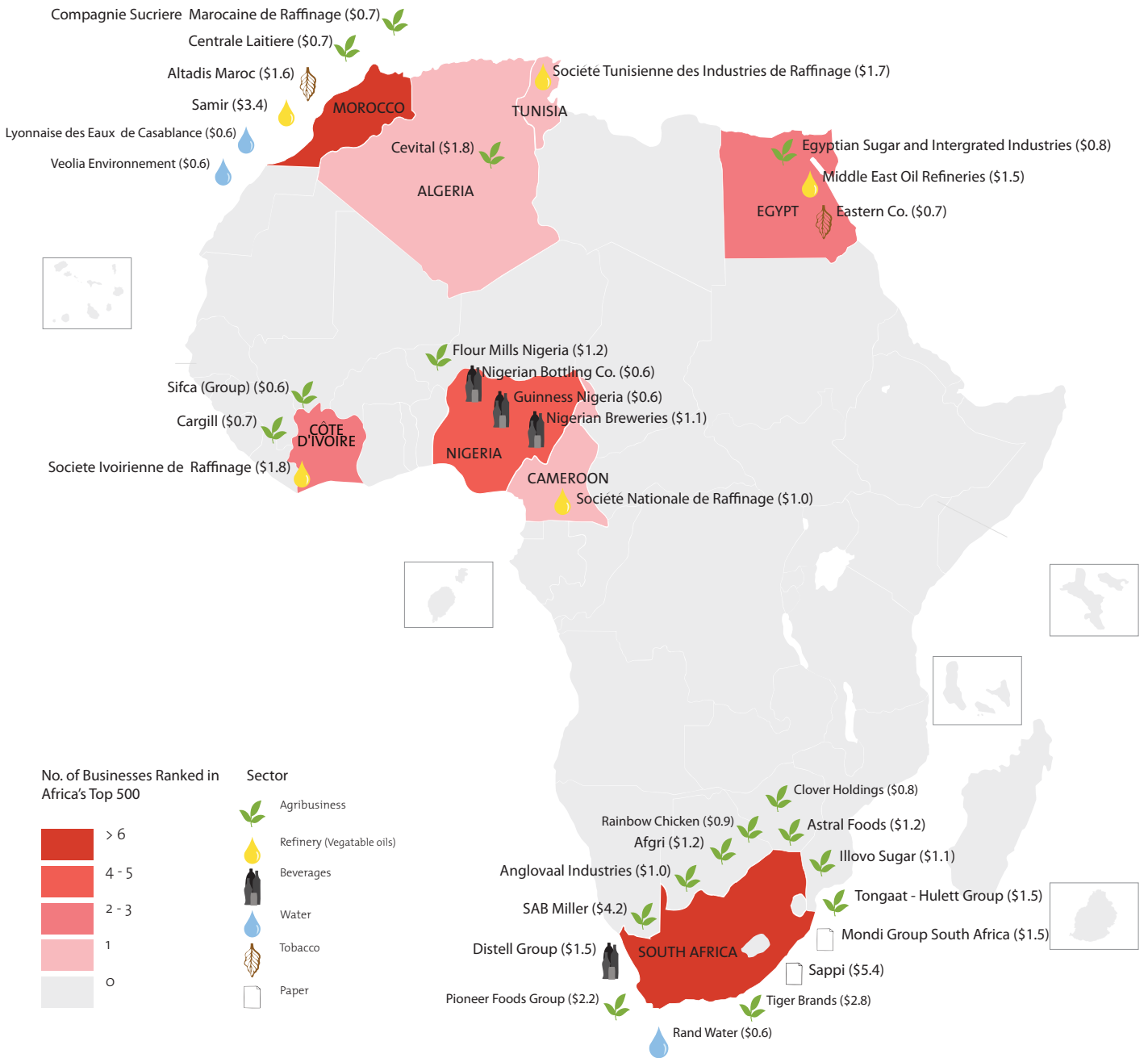
Rank		Turnover (US\$bn)	Market Capitalisation (US\$bn)	Employees
26th	Nestlé (Switzerland)	112	196	-
103rd	Unilever (Netherlands)	59	103	163,000
105th	Kraft Foods (USA)	49	63	-
198th	Archer Daniels (USA)	69	20	30,000
218th	Danone (France)	23	33	100,995
269th	Wilmar International (Singapore)	30	34	88,000
373rd	Bunge (Bermuda)	46	9	32,000
410th	General Mills (USA)	15	25	35,000
517th	Kellogg's (USA)	12	20	30,645
567th	Association British Foods (UK)	16	20	97,000

Rankings based on profits in the World's top 2000 companies.

Sources: Bloomberg; Forbes, 2011 and Yahoo Finance

AGRIBUSINESS IN AFRICA

AFRICA'S TOP AGRO-INDUSTRIES



©Mo Ibrahim Foundation  
 Values displayed represent turnover (US\$ billions)  
 Source: The Africa Report, 2011

## Africa's Top 20 Agribusinesses

Rank	Name	Country	Turnover(US\$bn)	Activities	Employees
1st	Tiger Brands	South Africa	2.8	Manufactures, processes and distributes food products.	14,000
2nd	Pioneer Foods Group	South Africa	2.2	Manufactures cereals and juice products.	11,000 +
3rd	Cévital	Algeria	1.8	Manufactures sugar, margarine and vegetable oil; and manages franchises.	12,500
4th	Tongaat-Hulett	South Africa	1.5	Produces food products, bio-fuel production and electricity co-generation.	
5th	Astral Food	South Africa	1.2	Produces animal feeds, broiler chick genetic breeding, and broiler chick operations.	7,700 +
6th	AFGRI	South Africa	1.2	Handles, stores and markets grain and livestock; finances grain; processes agricultural products.	4,000 +
7th	Flour Mills Nigeria	Nigeria	1.2	Produces flours, produces fertiliser, and sells bagged cement through wholly-owned subsidiaries.	
8th	Illovo Sugar	South Africa	1.1	Operates in all areas of sugar production and manufactures downstream by-products.	5,500 +
9th	Anglovaal Industries	South Africa	1.0	Manufactures, processes, markets and distributes branded consumer products in food, beverage and fashion categories.	7,900 +
10th	Rainbow Chicken	South Africa	0.9	Operates integrated farming facilities that produce, process and market broiler chickens, and produces animal feed.	-
11th	Clover Holdings	South Africa	0.8	Processes, manufactures and markets dairy products.	6,500 +
12th	Egyptian Sugar and International Industries	Egypt	0.8	Produces and manufactures sugar, sweeteners, juice, and produces animal feed.	-
13th	Centrale Laitière	Morocco	0.7	Produces dairy products.	-
14th	Compagnie Sucrière Marocaine de Raffinage	Morocco	0.7	Produces, packages, and markets sugar as well as by-products, such as molasses and bagasse.	-
15th	Cargill Côte d'Ivoire	Côte d'Ivoire	0.7	Produces cocoa products.	-
16th	SIFCA (Groupe)	Côte d'Ivoire	0.6	Cultivates, processes and markets vegetable oil, natural rubber and cane sugar.	25,000 +
17th	Dangote Sugar Refinery	Nigeria	0.5	Produces, refines, packages, and sells granulated raw white sugar.	-
18th	Lesieur Cristal	Morocco	0.5	Produces vegetable oils, soap products and livestock feed.	-
19th	Nestle Nigeria	Nigeria	0.5	Manufactures, markets and distributes food product; and manufactures hydrolysed plant protein mix.	-
20th	Oceana Group	South Africa	0.5	Interests in fishing, cold storage and shipping; catches pelagic fish and rock lobster.	2,000 +

Sources: The Africa Report 2011 and Bloomberg. Financial data refers to 2009 or 2009/2010.

## Continental Business Integration

- **Tiger Brands** (South Africa) has bought Deli Foods, a Nigerian biscuit maker, and a 49% stake in a joint venture with the food business of UAC of Nigeria in November, 2010. It has also agreed to form a joint venture with Ethiopia's East African Group to manufacture and sell food, flour, pasta, biscuits and personal goods.
- **Bidco (Kenya)**, manufacturer of edible oils, fats and hygiene products, have expanded their activities in the East African market through the help of the COMESA free trade area and zero tariff regime among five nations of the community.
- **Dangote Sugar** (Nigeria) has recently established a refinery in Algeria, bringing it closer to European markets.

## A “NEW FRONTIER” FOR PRIVATE FINANCE

Agriculture in developing countries is becoming an attractive frontier market for private sector finance, with several key players now present, including private equity funds, hedge funds, commodity funds, pension funds and banks.

### RURAL BANKING

- **Foreign banking services are increasingly present in rural regions**
  - **Barclays Bank** operates over 35 branches in Zambia.
  - **Guaranty Trust Bank** is in over 35 locations in Nigeria.
  - **Banco Comercial Português** in Mozambique.
  - **Citibank** in Senegal.
- **The success of “M-Banking” (Mobile Banking)**
  - Mobile phone subscribers have increased from less than two million in 1998 to **over 400 million in 2009**.
  - Only 20% of African families had a bank account in 2010. Mobile banking reaches the “unbanked”.
  - M-PESA mobile transfer service in Kenya has seen an increase in subscribers of over 1,000% in three years:
    - **2007**: 900,000 subscribers
    - **2010**: 11.8 million subscribers

#### % Growth of Rural Branches (2004 – 2009)

Ethiopia	8219%
Rwanda	2826%
Algeria	357%
Sierra Leone	158%
Comoros	84%
Kenya	81%
Tanzania	45%
Mauritius	44%
Madagascar	36%
Botswana	27%

Source: AfDB, 2010

#### RABOBANK GROUP “Committed to food and agribusiness”

- Dutch-based cooperative financial services provider established in 1898 as a collection of small rural banks in the Netherlands.
- Now a leader in rural and agribusiness services, providing customised lending and financial services in various food and agribusiness sectors, including food and agribusiness research.
- Rabo Development: holdings in partner banks in Mozambique, Rwanda, Tanzania, Zambia.
- Rabo Sustainable Agricultural Guarantee Fund: enhances the access to working capital for selected small- and medium-sized producers of sustainable agricultural products in developing countries. Countries include Ethiopia, Ghana, Malawi, Mali, South Africa, Tanzania, Uganda.

### PENSION FUNDS, PRIVATE FINANCE AND HEDGE FUNDS

PENSION FUNDS		HEDGE FUNDS
Some of the biggest investors in farmland in developing countries are US and European pension funds. <i>Global farmland investment</i> <sup>27</sup>		<b>BlackRock Agricultural Fund</b>
<b>APG (Netherlands)</b>	\$1.4 billion	- Launched in 2010
<b>Ascension Health (USA)</b>	\$1.1 billion	- Expected maximum size: \$1 billion;
<b>CalPERS (USA)</b>	\$50 million	Actual size: \$587m
<b>Dow Chemical (USA)</b>	not disclosed	- Geographical allocation in Africa: 9%
<b>New Zealand Superannuation Fund</b>	\$407 million	- Top three sectors: Food producers (44.3%);
<b>Pension Fund for Care and Well-Being (PGGM) (Netherlands)</b>	not disclosed	Chemicals (35%); Industrial Engineering (15%)
<b>Pensionskassernes Administration (PKA) (Denmark)</b>	\$370 million	

27 Grain, 2011

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### Private Equity Funds

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<b>Actis Africa Agribusiness Fund (AAAF)</b>	<ul style="list-style-type: none"> <li>- Launched in 2006.</li> <li>- <b>\$100 million.</b></li> <li>- Focus: Investments in tea and coffee processing, forestry, agro-infrastructure, agro-processing and biofuel sub-sectors in sub-Saharan Africa.</li> </ul>
<b>Agri-Vie Fund</b>	<ul style="list-style-type: none"> <li>- Launched in May 2008.</li> <li>- <b>\$100 million.</b></li> <li>- Focus: Entrepreneurs in the agribusiness value chain in sub-Saharan Africa.</li> <li>- Investors: Development Bank of South Africa (DBSA), AfDB, Industrial Development Corporation (IDC), Kellogg Foundation.</li> </ul>
<b>African Agricultural Land Fund</b>	<ul style="list-style-type: none"> <li>- Launched in 2008.</li> <li>- Target of <b>\$3 billion.</b></li> <li>- Focus: Buying agricultural land and managing agricultural projects across 14 countries in sub-Saharan Africa.</li> <li>- Administered by Emergent Asset Management.</li> </ul>
<b>African Seed Investment Fund (ASIF)</b>	<ul style="list-style-type: none"> <li>- Launched in 2009 by AGRA and AAC.</li> <li>- Focus: Invest in 20 SME seed companies in Southern and Eastern Africa (2008-2013) to “jump-start a well-capitalised, competitive and efficient regional seed industry”.</li> <li>- Administered by AAC.</li> </ul>
<b>African Agriculture Fund</b>	<ul style="list-style-type: none"> <li>- Launched in October 2009 by AGRA, IFAD, AfDB and others.</li> <li>- Target of <b>\$300 million</b> (already closed \$151 million).</li> <li>- Focus: Food production, targeting primary, secondary and tertiary subsectors.</li> <li>- Investors: \$100 million from Overseas Private Investment Corporation (OPIC) and \$40 million from AfDB</li> <li>- Administered by Phatisa Group (Ghana, Kenya, Mauritius, South Africa, Zambia).</li> </ul>
<b>West African Agricultural Investment Fund (WAAIF)</b>	<ul style="list-style-type: none"> <li>- Launched in 2010.</li> <li>- Focus: Indigenous seed production companies.</li> <li>- Investors: Initial investors were AGRA and Lundin for Africa Society.</li> </ul>
<b>African Agricultural Capital Fund (AACF)</b>	<ul style="list-style-type: none"> <li>- Launched in September 2011.</li> <li>- <b>\$25 million.</b></li> <li>- Focus: Growth of SMEs in the agricultural sector in East Africa.</li> <li>- Investors: USAID, JP Morgan, Gatsby, Rockefeller Foundation, Gates Foundation.</li> <li>- Administered by Pearl Capital Partners (Uganda).</li> </ul>

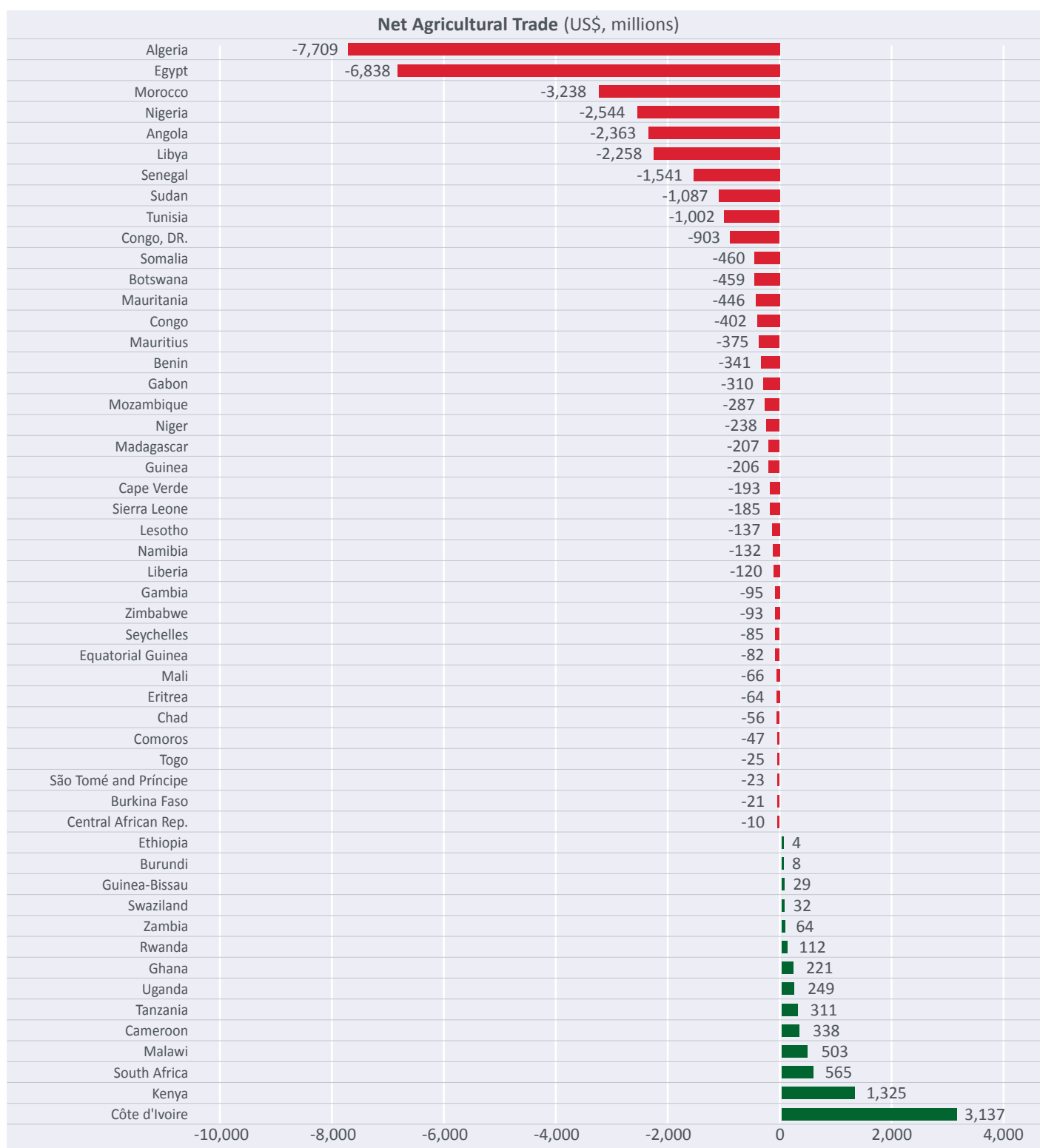
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## SPOTLIGHT: INTRA-AFRICAN TRADE

## LOWER THE FOOD BILL OF AFRICA

- Over ⅔ of African countries are net importers of agricultural products.
- Only 14 countries are net exporters: Burundi, Cameroon, Côte d'Ivoire, Ethiopia, Ghana, Guinea-Bissau, Kenya, Malawi, Rwanda, South Africa, Swaziland, Tanzania, Uganda and Zambia.
- On average between 2000 and 2005, the annual food trade bill of the continent was \$17.3 billion of exports and \$24 billion of imports, leading to an average annual deficit of \$6.6 billion.<sup>28</sup>
- There was a steep rise in the food import bill between 2001 and 2006 from nearly \$20 billion to more than \$33 billion.
- It is estimated that Africa imports about 28% of its calorie requirements. The major imports are wheat (58%), rice (41%) and oils (54%).



Source: FAO Statistical Yearbook, 2010. Data are for 2008.

<sup>28</sup> UNECA, 2009

## BOOST INTRA-AFRICAN TRADE

- African trade tariffs are among the highest in the world, on average 50% higher than comparable tariffs in Latin America and Asia.
- Intra-African trade remains low at approximately 12% of Africa's total exports and imports. This is less than half of the level in other emerging market regions.
- Over half of Africa's intra-regional trade occurs within SADC.

Intra-regional trade as % of Africa's trade	
SADC	51%
ECOWAS	28%
COMESA	12%
AMU	6%
ECCAS	3%

Source: McKinsey, Global Institute, 2010

## Economic Partnership Agreements (EPAs)

EPAs are trade and cooperation agreements aimed at establishing a free trade area between the European Union (EU) and African, Caribbean and Pacific states (ACP). They replace the preferential trade agreements offered by the EU, which were incompatible with WTO rules. They aim to create WTO-compatible, development-oriented reciprocal trading arrangements between Europe and its traditional developing country trading partners, while also encouraging regional integration, improved trade capacity building and other aid interventions into partner regions. The extent to which trade must be liberalised is still widely contested.

Negotiating Region	EPA	Trade with EU
West Africa (members of ECOWAS and Mauritania)	Côte d'Ivoire (signed); Ghana (initialled)	<b>Total: €43 bn</b> Primary exports: <i>Oil, gas, cocoa, iron.</i> Primary imports: <i>Oil, mechanical and electrical machinery, vehicles.</i>
Central Africa (Cameroon, Central African Republic, Chad, Congo, Democratic Republic of Congo, Equatorial Guinea, Gabon, São Tomé and Príncipe)	Cameroon (signed)	<b>Total: €13.9 bn</b> Primary exports: <i>Oil, wood, cocoa, diamonds.</i> Primary imports: <i>Mechanical and electrical machinery, vehicles, iron and steel.</i>
Eastern and Southern Africa (Comoros, Djibouti, Eritrea, Ethiopia, Madagascar, Malawi, Mauritius, Seychelles, Somalia, Sudan, Zambia, and Zimbabwe)	Madagascar, Mauritius, Seychelles, Zimbabwe (signed); Comoros, Zambia (pending)	<b>Total: €58.2 bn</b> Primary exports: <i>Textiles, sugar, fish products, coffee, tea and spices.</i> Primary imports: <i>Mechanical and electrical machinery, vehicles, cereals.</i>
EAC (Kenya, Uganda, Tanzania, Burundi, Rwanda)	EAC countries (signed)	<b>Total: €4.8 bn</b> Primary exports: <i>Coffee, tea, spices, plants and flowers, fish products, vegetables.</i> Primary imports: <i>Mechanical and electrical machinery, pharmaceutical products, vehicles.</i>
SADC <sup>29</sup> (Angola, Botswana, Lesotho, Mozambique, Namibia, Swaziland, South Africa)	Botswana, Lesotho, Mozambique and Swaziland (signed); Namibia (pending)	<b>Total: €59.3 bn</b> Primary exports: <i>Fuels, mining and agricultural products, semi-manufactures, machine and transport equipment.</i> Primary imports: <i>Machine and transport equipment, chemicals, semi-manufactures, agricultural products.</i>

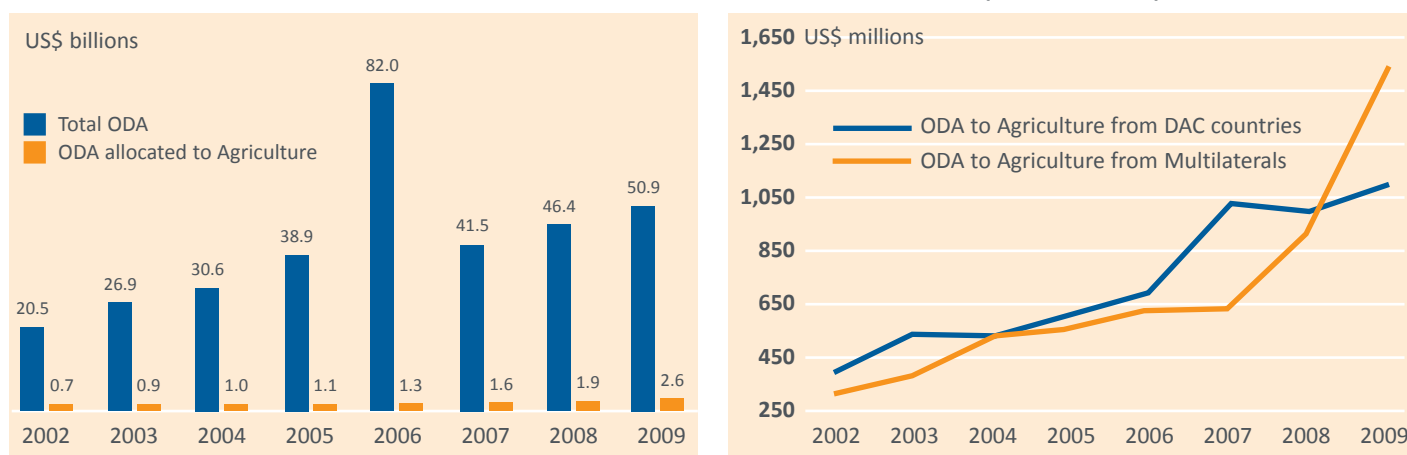
Source: European Commission. Trade data are for 2008 except for SADC region, which are for 2010.

<sup>29</sup> Other members of SADC (Democratic Republic of Congo, Madagascar, Malawi, Mauritius, Zambia, Zimbabwe) are negotiating within other groups.

## PROMOTING AGRICULTURE ON THE INTERNATIONAL AGENDA

### AGRICULTURE CONSTITUTES AT BEST ONLY 5% OF OECD DONOR AID

#### ODA to Africa from OECD Countries and Multilateral Institutions (disbursements)



Source: OECD DAC Creditor Reporting System<sup>30</sup>

### LESS THAN ¼ OF L'AQUILA COMMITMENTS HAVE BEEN MET

At the **L'Aquila G8 Summit** in 2009, G8 and five other donor countries committed to mobilise \$22 billion, of which **\$6 billion was new money**, to finance agriculture and food security. L'Aquila commitments were adopted at the World Summit on Food Security, resulting in the creation of the **L'Aquila Food Security Initiative (AFSI)**. So far donors have only met 22% of total financial pledges and many have not reported how they plan to reach the full pledge amount.

	Pledge (US\$ bn)	Disbursement to date
Canada	1.0	88.9%
Italy	0.4	81.6%
UK	1.7	29.6%
France	2.2	28.1%
USA	3.5	2.1%
European Commission	3.8	NOT REPORTED
Germany	3.0	NOT REPORTED
Japan	3.0	NOT REPORTED

Source: ONE, 2011

### Following the G20 Agriculture Ministerial Meeting (Paris, June 2011) the G20 Leaders Summit in November discussed key issues regarding agriculture and food security, and committed to:

- Act in the framework of the Action Plan on Food Price Volatility and Agriculture agreed in June 2011.
- Develop appropriate risk management instruments and humanitarian emergency tools to improve food security.
- Not subject food purchased for non-commercial humanitarian purposes by the WFP to export restrictions or extraordinary taxes.

The meeting also:

- Stressed the need to complete the Doha Development Agenda (DDA) mandate and to create new approaches to further negotiations in 2012.
- Supported the initiatives in the Cannes final Declaration, with view to fostering investments in agriculture and mitigate the impact of price volatility.
- Welcomed ECOWAS initiative to set up a targeted regional emergency humanitarian food reserve system as a pilot project and the ASEAN+3 emergency rice reserve initiative.
- Welcomed the creation of a "Rapid Response Forum", which will improve the international community's capacity to coordinate policies and develop common responses in time of market crises.
- Agreed that aid commitments made by developed countries should be met and new sources of funding need to be found to address development needs and climate change.

### The Montpellier Panel:

- Established to enable better links between European governments and food security issues in sub-Saharan Africa.
- A group of ten experts<sup>31</sup> from the fields of agriculture, sustainable development, trade, policy, and global development, chaired by Sir Gordon Conway.
- The Panel is working to make recommendations to enable better European government support of national and regional agricultural development and food security priorities in sub-Saharan Africa.
- The Panel first convened at the Global Conference on Agricultural Research for Development (GCARD) in Montpellier in March 2010, their first report *'Africa and Europe: Partnerships for Agricultural Development'*, highlighting African priorities in agriculture and nutrition.
- Recommendations were made for ensuring global food price stability and strengthening partnerships between Europe and Africa.
- A second Montpellier Panel Report is currently in development.

<sup>30</sup> Total ODA refers to total sector-allocable aid. It does not include budget support, humanitarian assistance, debt relief, etc. Earliest available data are from 2002. Multilaterals refer to ADF, EU Institutions, IDA and UNDP. Earliest available data are from 2002.

<sup>31</sup> Tom Arnold, Henri Carsalade, Louise Fresco, Peter Hazell, Namanga Ngongi, Joachim von Braun, Lindiwe Majele Sibanda, Ramadita Tabo, David Radcliffe, Prabhu Pingali.

## COMMITMENTS, COMMITMENTS...

THE RIGHT PRIORITIES		Agricultural Investment & Production	Agricultural Trade	Food Security	Environmental Degradation & Natural Resource Management	Agriculture & Biotechnology
2000	Cairo Plan of Action, Africa-EU Summit, April			X	X	X
	Cotonou ACP-EU Agreement, June	X		X	X	
	UN Millennium Declaration, September			X	X	
2001	New Partnership for Africa's Development (NEPAD), October	X		X	X	X
	UN Commission on Sustainable Development: Report on the 9th Session, April	X			X	
	G8 Genoa Plan for Africa, July			X		
	G8 Genoa Communiqué, July			X	X	X
2002	World Food Summit Rome - Declaration of the World Food Summit: Five Years Later, June	X		X		X
	G8 Kananaskis Africa Action Plan, June	X		X		X
2003	Comprehensive Africa Agriculture Development Programme (CAADP)	X		X	X	X
	G8 Evian Action Against Famine, Especially in Africa: A G8 Action Plan, June	X		X		X
	G8 Evian Chair's Summary, June			X	X	X
	Assembly of the African Union, 2nd Ordinary Session, Maputo, July	X		X		
	Southern African Development Community Declaration on HIV/AIDS, Maseru, July			X		
	Protocol to the African Charter on Human and Peoples' Rights on the Rights of Women in Africa, Maputo, July			X		
2004	Sirte Declaration on the Challenges of Implementing Integrated and Sustainable Development on Agriculture and Water in Africa, Assembly of the African Union, February	X		X	X	X
	G8 Sea Island Ending The Cycle Of Famine In The Horn Of Africa, Raising Agricultural Productivity, and Promoting Rural Development In Food Insecure Countries: Action Plan, June	X		X		X
2005	Millennium Development Goals: EU Contribution to the Review of the MDGs at the UN 2005 High Level Event, May				X	
	Assembly of the African Union, 5th Ordinary Session, Sirte, July	X				
	G8 Gleneagles Africa Statement, July	X		X		
	UN World Summit Outcome, New York, September	X			X	X
	EU Strategy For Africa: Towards a Euro-African pact to accelerate Africa's Development, Brussels, October	X			X	X
	The European Consensus on Development, Brussels, November	X		X	X	
2006	Abuja Call for Accelerated Action Towards Universal Access to HIV/Aids, Tuberculosis and Malaria Services in Africa, May	X				
	India-Brazil-South Africa (IBSA) 1st Summit Joint Declaration, Brasilia, September	X				
	Abuja Declaration on Fertilizer for the African Green Revolution, AU Africa Fertilizer Summit, December	X				
	AU Resolution of the Abuja Food Security Summit, December	X		X		
	UN General Assembly High Level Meeting - Political Declaration on HIV/AIDS			X		
2007	G8 Heiligendam Summit Declaration on Growth and Responsibility in Africa, June	X		X	X	
	India-Brazil-South Africa (IBSA) 2nd Summit Joint Declaration, Tshwane, October	X				
	The Africa-EU Partnership - A Joint EU Strategy, Lisbon, December	X			X	X

2008	India-Brazil-South Africa (IBSA) Dialogue Forum, Somerset West Ministerial Communiqué, May					X							
	Declaration of the High-Level Conference on World Food Security: the Challenges of Climate Change and Bioenergy, June	X				X							
	Brussels European Council - Presidency Conclusions, June					X			X				
	G8 Hokkaido Leader Statement on Global Food Security, June	X				X			X				
	Assembly of the African Union 11th Ordinary Session, Sharm El-Sheikh, 30 June-1 July	X				X			X				
	India-Brazil-South Africa (IBSA) Dialogue Forum, 3rd Summit Joint Declaration, New Delhi, October	X				X							
	G20 Washington Declaration of the Summit on Financial Markets and the World Economy, Nov					X							
2009	Windhoek High-Level Ministerial Declaration on African Agriculture in the 21st Century: Meeting the Challenges, Making a Sustainable Green Revolution, February	X		X		X		X	X				
	G20 London Global Plan for Recovery and Reform, April					X							
	Council Conclusions on Supporting Developing Countries in Coping with the Crisis, Brussels, May				X								
	Assembly of the African Union 13th Ordinary Session, Sirte, July	X				X							
	G8 L'Aquila Chair's Summary, July	X				X							
	G8 L'Aquila Joint Statement on Global Food Security, July	X				X							
	G8 L'Aquila Promoting the Global Agenda: Statement, July	X				X							
	G8 L'Aquila Responsible Leadership for a Sustainable Future: Statement, July	X			X	X			X				
	G20 London Meeting of Finance Ministers and Central Bank Governors: Communiqué, September	X				X							
	G20 Pittsburgh Summit Leaders' Statement, September	X				X			X				
	Brussels European Council – Presidency Conclusions, October					X			X				
	EU-US Summit Declaration, November					X							
	5th CADDP Partnership Platform meeting, Communiqué, Abuja, November	X				X							
	World Summit on Food Security, Rome: Declaration, November	X			X	X			X				
2010	Assembly of the African Union, 14th Ordinary Session, Addis Ababa, 31 January-2 February	X											
	G8 Development Ministers' Meeting Chair's Summary, Halifax, April					X							
	G20 Communiqué Meeting of Finance Ministers and Central Bank Governors, Busan, June	X				X							
	G20 Toronto Summit Declaration, June	X											
	G8 Muskoka Declaration: Recovery and New Beginnings, June					X							
	UN Summit: Millennium Development Goals High Level Plenary Meeting of the General Assembly 65th Session: Outcome Document, New York, September	X		X		X		X	X				
	G20 Seoul Summit Leader's Declaration, November					X							
	G20 Seoul Development Consensus for Shared Growth (Annex I), November					X							
	G20 Seoul Multi-Year Action Plan on Development (Annex II), November	X			X	X							
	G20 Seoul Summit Document: Framework for Strong, Sustainable and Balanced Growth, Nov	X				X							
	3rd Africa-EU Summit, Tripoli Declaration, November					X							
	UN Climate Change Conference, COP-16, Outcome of the work of the Ad Hoc Working Group on long-term Cooperative Action under the Convention, Cancun, 29 November-10 December					X		X	X				
2011	Executive Council of the African Union, 18th Ordinary Session, Addis Ababa, January					X							
	G8 Deauville, G8/Africa Joint Declaration Shared Values, Shared Responsibilities, May					X							
no. of mentions:									42	7	51	23	19

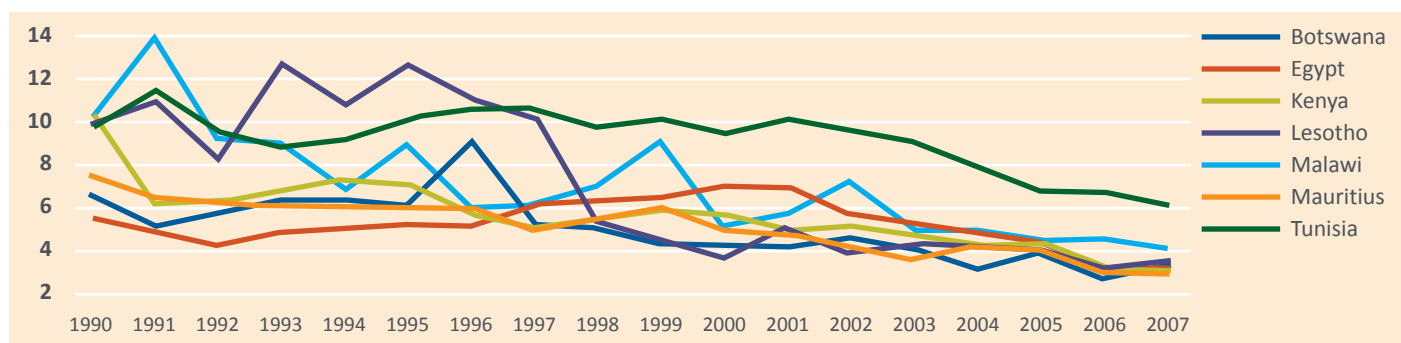
Source: Commit4Africa

## MAKING AGRICULTURE A PUBLIC PRIORITY IN AFRICA

### STRENGTHEN THE FOCUS ON AGRICULTURE ON NATIONAL AGENDAS

Public expenditure allocated to agriculture in Africa accounted for **7.3% on average**, in 2007<sup>32</sup>. More countries have reduced their expenditure allocations to agriculture since 1990 than have increased them, with the greatest reductions in Botswana, Egypt, Kenya, Lesotho, Malawi, Mauritius, Tunisia<sup>33</sup>.

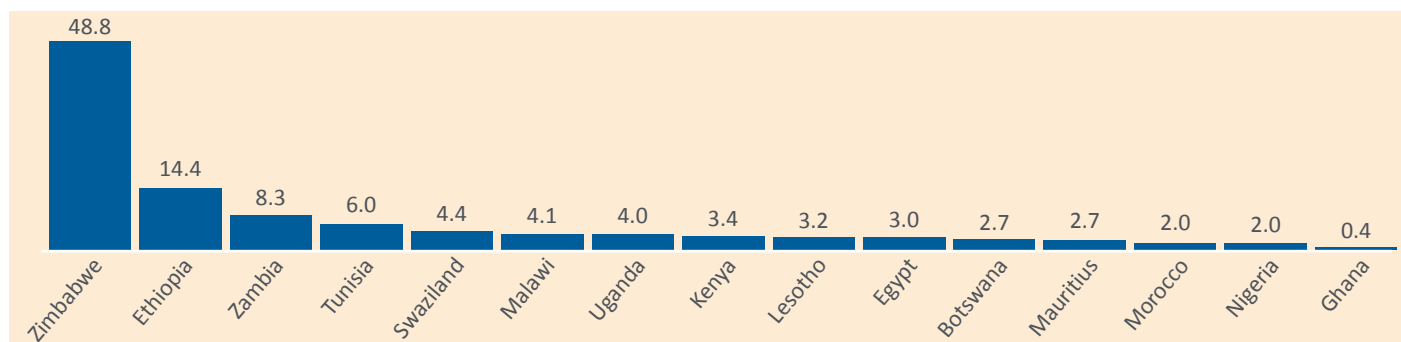
Proportion of Total Public Expenditure in Agriculture (%)



Source: SPEED

Some countries nonetheless have increased the proportion of public expenditure directed towards agriculture over this period. Between 1990 and 2007, public expenditure for agriculture increased by 37% in Zimbabwe, 7.5% in Ethiopia, 5.5% in Zambia and 1.7% in Uganda.

Proportion of Total Public Expenditure in Agriculture in 2007<sup>33</sup> (%)



Source: SPEED

### 10% OF NATIONAL BUDGETARY RESOURCES: AN UNMET CONTINENTAL COMMITMENT?

#### - Maputo Declaration on Agriculture and Food Security in Africa (July 2003)

At the 2nd Ordinary Assembly of the African Union, African Heads of State and Government committed to allocate at least 10 % of national budgets to agriculture and rural development policy implementation within five years (2008).

**In 2011, three years after the deadline – only nine countries have reached that target**  
Burkina Faso, Ethiopia, Ghana, Guinea, Malawi, Mali, Niger, Rwanda, Senegal

#### - Comprehensive Africa Agriculture Development Programme (CAADP)

Launched by the New Partnership for Africa's Development (NEPAD) in 2003, CAADP Compacts endorse the Maputo Declaration and focus on improving food security and nutrition, and increasing incomes. Countries are targeted to increase agricultural productivity by at least 6% annually. To benefit from donor funding each country is required to develop its own project and ensure that it aligns with the CAADP programme.

#### 27 countries have signed CAADP Compacts

Benin, Burkina Faso, Burundi, Cape Verde, Côte d'Ivoire, Democratic Republic of Congo, Ethiopia, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Liberia, Mali, Malawi, Mauritania, Niger, Nigeria, Rwanda, Senegal, Seychelles, Sierra Leone, Swaziland, Togo, Uganda, Tanzania, Zambia

<sup>32</sup> Based on 15 countries for which data are available. Most recent data are for 2007

<sup>33</sup> Data available for 15 countries: Botswana, Egypt, Ethiopia, Ghana, Kenya, Lesotho, Malawi, Mauritius, Morocco, Nigeria, Swaziland, Tunisia, Uganda, Zambia and Zimbabwe.

### Best Practice: Rwanda's CAADP Commitment

- Rwanda was the first country to sign a CAADP Compact.
- Agricultural spending by the government has gone from 3% in 2005 to 7% in 2010.
- To implement the Compact, the government developed the Strategic Plan for the Transformation of Agriculture (PSTA) II, which aligns development partners with the government's strategies and tactics.
- PSTA II consists of four programmes (\$847.5 million):
  1. Program 1 (\$658 million): intensification of sustainable production systems.
  2. Program II (\$42 million): support for the professional development of producers.
  3. Program III (\$128 million): promoting commodity chain and agribusiness development.
  4. Program IV (19.5 million): support for institutional development.

Source: Montpellier Panel Report, 2010

## AFRICAN INSTITUTIONS AND NETWORKS

### Regional Economic Communities: The Agricultural Factcard

	AGRICULTURAL POLICY functioning not functioning	Total population millions	Youth population (15-24) millions	Youth as proportion of total population %	GDP US\$, billions	Urban population growth annual %	Land area ha, millions	Arable land ha, millions	Agriculture as proportion of GDP annual %	Agriculture imports % total imports	Agriculture exports % total exports	Labour force in agriculture % total
AMU	-	87.8	17.4	19.8	360.9	2.1	577.4	20.5	9.2	18.8	3.8	28.8
CENSAD	-	549.8	108.2	19.7	830.6	3.4	1497.2	133.9	31.9	22.6	24.0	66.4
COMESA	Agricultural Policy (CAP)	443.4	90.5	20.4	497.3	3.2	1114.3	72.2	22.9	15.5	31.5	64.8
EAC	Agricultural and Rural Development Policy (ARDP)	137.8	28.2	20.4	78.7	4.6	170.2	22.7	27.8	11.6	57.7	84.0
ECCAS	Agricultural Policy for Central Africa	135.1	27.4	20.3	170.3	3.6	652.3	24.1	23.7	13.4	16.8	77.6
ECOWAS	Action Plan on Agricultural Policy for West Africa (ECOWAP)	300.8	59.2	19.7	304.9	3.7	503.0	84.2	35.9	24.1	29.5	75.0
IGAD	Regional Food Security Strategy	210.7	43.0	20.4	141.2	3.8	477.0	46.3	33.9	24.9	38.7	78.6
SADC	Regional Agricultural Policy (RAP)	273.4	55.5	20.3	574.8	3.1	964.6	52.9	16.0	11.9	15.3	56.7

For further information, refer to individual REC Factcards (Annex) and Technical Notes (References).

## Regional Farmers' Networks

### Union Maghrébine des Agriculteurs (UMAGRI) – 1989

- Based in Tunis, includes the five national agricultural organisations in the region (Algeria, Libya, Mauritania, Morocco, Tunisia).
- Aims to integrate agricultural development policies of member countries, improve trade, and encourage scientific research.

### Southern African Confederation of Agricultural Unions (SACAU) – 1992

- Aims to strengthen the capabilities of farmers' organisations on regional and international matters.
- Membership is open to national farmers' unions and regional commodity associations in Southern Africa.
- Granted observer status for CoP17.

### Réseau des Organisations Paysannes et de Producteurs de l'Afrique de l'Ouest (ROPPA) – 2000

- Launched in Benin and based in Burkina Faso.
- Aims to promote and defend the values of competitive and sustainable agriculture and promote partnerships between low income rural farmers' organisations and agricultural producers.
- Initially comprised of the ten Francophone countries of West Africa then opened to all ECOWAS countries.

### East Africa Farmers' Federation (EAFF) – 2001

- Aims to develop a prosperous and cohesive farming community in East Africa.
- Organises farming concerns and interests in order to achieve regional cohesiveness and improve their status.

### Plateforme Régionale des Organisations Paysannes d'Afrique Centrale (PRORAC) – 2005

- Launched in Cameroon.
- Aims to promote and defend smallholder farmers by building institutional capacity and supporting peasant organisations at local, national and regional levels.
- Particular focus on youth employment and encouraging women leaders.

### Pan African Farmers Forum (PAFFO) – 2010

- Launched in Lilongwe, Malawi by the five regional farmers' organisations:
  - Réseau des Organisations Paysannes et de Producteurs de l'Afrique de l'Ouest (ROPPA)
  - Southern African Confederation of Agricultural Unions (SACAU)
  - Eastern Africa Farmers' Federation (EAFF)
  - Union Maghrébine des Agriculteurs (UMAGRI)
  - Plateforme régionale des organisations Paysannes d'Afrique Centrale (PROPAC)
- Aims to represent farmers and involve them in the review and formulation of public policy at regional and continental levels.

### Southern African Cotton Producers Association (SACP) – 2011

- Launched under the auspices of SACAU.
- Aims to stimulate the production of cotton; act as a government advisory body and as an industry forum; and develop small-scale cotton farming.
- Partners eight national cotton producer countries: Madagascar, Malawi, Mozambique, South Africa, Swaziland, Tanzania, Zambia, Zimbabwe.

**Pretoria Declaration (2004)**  
**Established by 5 regional organisations**  
*An agriculture sector favourable to family farmers is:*

- "One that guarantees food, employment and revenue to the family farmers in a sustainable manner
- One that provides and adds value to products for industrial purpose
- One that generates solidarity and social security
- One that adds value to our traditional experiences
- One that ensures equitable access to production resources and sustainable management of natural resources"

### Best Practice: Cape Verde - From Famine to Food Security

- Cape Verde is arid and mineral deficient, with a poor resource base. Despite being mostly rural, agriculture accounts for only 9% of GDP.
- 16% of land is arable and less than 11% is suitable for crop production. Pastoral land makes up 6% of Cape Verde's land area and permanent crops less than 1%. Water shortages are exacerbated by cycles of long-term drought.
- To ensure Cape Verde's history of famine is firmly in the past, food security is embedded as a core element of the national agenda:
  - Support to Food Security and School Nutrition** (supported by FAO, UNICEF, WFP and WHO).
    - Aims to help the Government of Cape Verde and Cape Verdean Foundation for Social and Educational Action (FICASE) to achieve the MDGs and ensure the quality of child education and the food and nutritional security of children.
    - Promotes nutritional security through the education system through the diversification of school meals with local produce and school gardens.
    - Sustains economic opportunities for domestic producers.
  - National Strategy for Food Security (ENSA) 2002 - 2005**
    - Aims to assure the population access to health services and food through enabling conditions for sustainable food security and nutrition.



## SPOTLIGHT: EUROPEAN COMMON AGRICULTURAL POLICY: €55 billion per year, 40% of overall budget

The Common Agricultural Policy (CAP) was originally established to improve agricultural productivity to enable a stable supply of affordable food and to ensure that the European Union (EU) had a viable agricultural sector.

CAP aims to promote agriculture throughout the EU by increasing farmers' incomes and supporting the provision of public goods. It is funded by the European Commission (EC) budget.

- **Represents 40% of the total EC budget** and around 0.5% of the EU region's GDP. Approximately €7.7 billion is spent annually on rural development.
- **Costs approximately €55 billion annually.**
- The cost has remained at around €50 billion over the past 15 years.
- **Budget for 2010 = €43.8 billion.** It has been reduced by 3% for 2011.
- Cereals, beef/veal and dairy products account for a high proportion of CAP funding.
- **Is twice the value of African exports of agricultural goods.**
- Germany is the largest net contributor to the EU budget. Greece, Portugal and Spain are the biggest beneficiaries.
- Nearly  $\frac{3}{4}$  of EU farmers have an annual income under **£5,000**. Incomes in the agricultural sector are just 50% of the average in other sectors.

### Context

The creation of CAP followed the signing of the Treaty of Rome in 1957. CAP began operating in 1962 when market unity, community preference and financial solidarity had been established. The six member states individually intervened strongly in their agricultural sectors, which posed an obstacle to free trade in goods.

### Mechanisms

**Import levies** – Set at a level to raise the world market price up to the EU target price. (Target price is chosen as the maximum desirable price for those goods within the EU).

**Import quotas** – Used to restrict the quantity of food being imported into the EU. Certain non-members, who have negotiated quotas, are able to sell certain goods within the area without tariffs.

**Internal intervention price** – If the internal market price falls below the intervention level then the EU will buy up goods to raise the price to the intervention level.

**Direct subsidies** – Paid to farmers, originally intended to encourage them to choose to grow crops attracting subsidies and maintain home-sourced supplies.

**Production quotas** – Introduced to prevent overproduction of some foods that attracted subsidies in excess of market prices. The need to store and dispose of excess produce was wasteful of resources and brought CAP into disrepute. A secondary market evolved especially in the sale of milk quotas.

**Set-aside** – Farmers paid to leave land fallow. Currently suspended following rising prices for some commodities and increasing interest in biofuel crops. Land which was set-aside was often difficult to farm.

### Benefits for European Farmers

- CAP supplements farmer incomes to ensure they make a suitable living, in order to guarantee the survival of rural communities.
- Open public debate and consultations which are taken into consideration through constant reforms.
- Provides research budgets that stimulate innovation and development for productivity improvements.
- Farmers are guaranteed prices for certain commodities. For example, the price for European sugar is three times higher than the world price.

### Threats for Africa<sup>34</sup>

- The surplus goods that are a production outcome of CAP are often dumped in developing countries. Local farmers are prevented from selling their own goods because European produce is sold at a lower price.
- Thousands of tonnes of surplus powdered milk from the EU are dumped in West African countries at a cheaper price than local cattle owners can sell for.
- European preferences for chicken breasts and legs means that thighs and wings are often frozen and exported to Africa, where they are sold at discounted prices.
- Chicken farmers in Senegal and Ghana which previously supplied most of their country's demand saw their market share shrink to 11% in 2006 because subsidised imports were 50% cheaper.
- Mozambique loses more than £70 million a year due to restrictions on importing into Europe and with cheap European exports being dumped in the country.
- A reported 12,000 workers in Swaziland have lost their jobs because of the inability of local industry to compete.

<sup>34</sup> The Independent, 2006

## Annex: REGIONAL ECONOMIC COMMUNITY - FACTCARDS

## Community of Sahel-Saharan States – CEN-SAD

<b>Total Population</b>	549.8 million
<b>Youth Population</b> (age 15 – 24)	108.2 million (19.7% of total population)
<b>GDP</b> (current US\$)	830.6 billion
<b>Urban Population Growth</b> (annual)	3.4%
<b>Land Area</b> (ha)	1497.2 million
<b>Arable Land</b> (ha)	133.9 million
<b>Agriculture Contribution to GDP</b> (annual)	31.9%
<b>Agricultural Imports</b> (% of total)	22.6%
<b>Agricultural Exports</b> (% of total)	24.0%
<b>Labour Force in Agriculture</b> (% of total)	66.4% <sup>35</sup>
<b>Agricultural Resources</b>	Cassava, cattle meat, cotton, cocoa beans, fruits and vegetables, groundnuts, gum arabic, maize, millet, palm oil, peanuts, rice, roots and tubers, sorghum, sugar, wheat
<b>Country implementation of CAADP</b> (16/28)	<b>Signed:</b> Benin, Burkina Faso, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Mauritania, Niger, Nigeria, Kenya, Senegal, Sierra Leone, Togo <b>Succeeded:</b> Burkina Faso, Eritrea, Gambia, Guinea-Bissau, Nigeria, Senegal
<b>Country commitment to Maputo</b> (6/28)	Burkina Faso, Ghana, Guinea, Mali, Niger and Senegal
<b>Regional agricultural policy</b>	<b>None</b>

28 member states: Benin, Burkina Faso, Central African Republic, Chad, Comoros, Côte d'Ivoire, Djibouti, Egypt, Eritrea, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Liberia, Libya, Mali, Mauritania, Morocco, Niger, Nigeria, São Tomé and Príncipe, Senegal, Sierra Leone, Somalia, Sudan, Togo, Tunisia.

## Common Market for Eastern and Southern Africa – COMESA

<b>Total Population</b>	443.4 million
<b>Youth Population</b> (age 15 – 24)	90.5 million (20.4% of total population)
<b>GDP</b> (current US\$)	497.3 billion
<b>Urban Population Growth</b> (annual)	3.2%
<b>Land Area</b> (ha)	1114.3 million
<b>Arable Land</b> (ha)	72.2 million
<b>Agriculture Contribution to GDP</b> (annual)	22.9%
<b>Agricultural Imports</b> (% of total)	15.5%
<b>Agricultural Exports</b> (% of total)	31.5%
<b>Labour Force in Agriculture</b> (% of total)	64.8% <sup>36</sup>
<b>Agricultural Resources</b>	Cotton, fruits and vegetables, gum arabic, maize, millet, palm oil, peanuts, rice, roots and tubers, sorghum, sugar, wheat
<b>Country implementation of CAADP</b> (10/19)	<b>Signed:</b> Burundi, Democratic Republic of Congo, Ethiopia, Kenya, Malawi, Seychelles, Swaziland, Rwanda, Uganda, Zambia <b>Succeeded:</b> Eritrea
<b>Country commitment to Maputo</b> (3/19)	Ethiopia, Malawi and Rwanda
<b>Regional agricultural policy</b>	<b>COMESA Agricultural Policy (CAP)</b> supports national to regional approach to regional food security issues and is based on opening up the region to free flowing agricultural trade and establishing policies and systems that allow for conducive trade environment. The <b>COMESA Agricultural Programmes</b> aim to position the region as a supplier of primary and processed agricultural goods to global markets.

19 member states: Burundi, Comoros, Democratic Republic of Congo, Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Swaziland, Uganda, Zambia, Zimbabwe.

35 Labour force participation in agriculture average calculation does not include data for Benin, Central African Republic, Djibouti, São Tomé and Príncipe, Sierra Leone.

36 Labour force participation in agriculture average calculation does not include data for Democratic Republic of Congo, Djibouti and Madagascar.

## East African Community – EAC

<b>Total Population</b>	137.8 million
<b>Youth Population</b> (age 15 – 24)	28.2 million (20.4% of total population)
<b>GDP</b> (current US\$)	78.7 billion
<b>Urban Population Growth</b> (annual)	4.6%
<b>Land Area</b> (ha)	170.2 million
<b>Arable Land</b> (ha)	22.7 million
<b>Agriculture Contribution to GDP</b> (annual)	27.8%
<b>Agricultural Imports</b> (% of total)	11.6%
<b>Agricultural Exports</b> (% of total)	57.7%
<b>Labour Force in Agriculture</b> (% of total)	84%
<b>Agricultural Resources</b>	Cassava, cattle meat, cashew nuts, coffee, cotton, flowers, palm oil, peanuts, pyrethrum, rice, sisal, sugar cane, tea
<b>Country implementation of CAADP</b> (5/5)	<b>Signed: All</b> <b>Succeeded:</b> Tanzania
<b>Country commitment to Maputo</b> (1/5)	Rwanda
<b>Regional agricultural policy</b>	<b>EAC Agriculture and Rural Development Policy (EAC–ARDP)</b> aims at accelerating agricultural sector development through improving food security; accelerating irrigation development; strengthening early warning systems and research and training; increasing trade; and improving physical infrastructure. The <b>Food Security Action Plan (2011 – 2015) – February, 2011</b> was developed to guide implementation of programmes emanating from the EAC Treaty to achieve food security and rational agricultural production.

Five member states: Burundi, Kenya, Rwanda, Tanzania, Uganda.

## Economic Community of Central African States – ECCAS (CEEAC)

<b>Total Population</b>	135.1 million
<b>Youth Population</b> (age 15 – 24)	27.4 million (20.3% of total population)
<b>GDP</b> (current US\$)	170.3 billion
<b>Urban Population Growth</b> (annual)	3.6%
<b>Land Area</b> (ha)	652.3 million
<b>Arable Land</b> (ha)	24.1 million
<b>Agriculture Contribution to GDP</b> (annual)	23.7%
<b>Agricultural Imports</b> (% of total)	13.4%
<b>Agricultural Exports</b> (% of total)	16.8%
<b>Labour Force in Agriculture</b> (% of total)	77.6% <sup>37</sup>
<b>Agricultural Resources</b>	Cacao, cattle, cassava, cocoa, coffee, corn, cotton, groundnuts, gum arabic, maize, millet, sawmill, sorghum, palm oil, rice, rubber
<b>Country implementation of CAADP</b> (2/10)	<b>Signed:</b> Burundi, Democratic Republic of Congo <b>Succeeded:</b> Angola, Congo
<b>Country commitment to Maputo</b> (0/10)	<b>None</b>
<b>Regional agricultural policy</b>	<b>Agricultural policy for Central Africa (CAP-ECCAS)</b> and <b>Regional Programme for food security</b> are reference frameworks for agricultural policies and address the pillars of CAADP. Aim to support and harmonise national agricultural policies and emphasises the potential for production and capacity for trade in the region. <b>Not yet finalised.</b>

10 member states: Angola, Burundi, Cameroon, Central African Republic, Chad, Congo, Democratic Republic of Congo, Equatorial Guinea, Gabon, São Tomé and Príncipe.

<sup>37</sup> Labour force participation in agriculture average calculation does not include data for Central African Republic, Congo, Democratic Republic of Congo, Equatorial Guinea and São Tomé and Príncipe.

## Economic Community of West African States – ECOWAS (CEDEAO)

<b>Total Population</b>	300.8 million
<b>Youth Population</b> (age 15 – 24)	59.2 million (19.7% of total population)
<b>GDP</b> (current US\$)	304.9 billion
<b>Urban Population Growth</b> (annual)	3.7%
<b>Land Area</b> (ha)	503.0 million
<b>Arable Land</b> (ha)	84.2 million
<b>Agriculture Contribution to GDP</b> (annual)	35.9%
<b>Agricultural Imports</b> (% of total)	24.1%
<b>Agricultural Exports</b> (% of total)	29.5%
<b>Labour Force in Agriculture</b> (% of total)	75% <sup>38</sup>
<b>Agricultural Resources</b>	Cattle meat, cacao, cashew nuts, cassava, cattle, cocoa, cotton, maize, millet, rubber, sesame seeds, sorghum, sugar cane, palm oil, yams
<b>Country implementation of CAADP</b> (15/15)	<b>Signed: All</b> <b>Succeeded:</b> Burkina Faso, Gambia, Guinea-Bissau, Nigeria, Senegal
<b>Country commitment to Maputo</b> (6/15)	Burkina Faso, Ghana, Guinea, Mali, Niger and Senegal
<b>Regional agricultural policy</b>	<b>Action Plan on Agricultural Policy for West Africa (ECOWAP)</b> was adopted in 2005 to contribute to food security, socio-economic development and poverty reduction by increasing the productivity and competitiveness of regional agriculture, implementing trade regimes and focusing on water management (small-scale irrigation, restoration of large irrigated areas and cross-border management of resources).

15 member states: Benin, Burkina Faso, Cape Verde, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, Togo.

## Intergovernmental Authority on Development – IGAD

<b>Total Population</b>	210.7 million
<b>Youth Population</b> (age 15 – 24)	43 million (20.4% of total population)
<b>GDP</b> (current US\$)	141.2 billion
<b>Urban Population Growth</b> (annual)	3.8%
<b>Land Area</b> (ha)	477.0 million
<b>Arable Land</b> (ha)	46.3 million
<b>Agriculture Contribution to GDP</b> (annual)	33.9%
<b>Agricultural Imports</b> (% of total)	24.9%
<b>Agricultural Exports</b> (% of total)	38.7%
<b>Labour Force in Agriculture</b> (% of total)	78.6%
<b>Agricultural Resources</b>	Cassava, cattle meat, coffee, cotton, gum arabic, maize, sorghum, sisal, sugar cane, rice
<b>Country implementation of CAADP</b> (3/6)	<b>Signed:</b> Ethiopia, Kenya, Uganda <b>Succeeded:</b> Ethiopia
<b>Country commitment to Maputo</b> (1/6)	Ethiopia
<b>Regional agricultural policy</b>	<b>Regional Food Security Strategy</b> outlines regional actions for boosting food production (through agriculture, livestock and fish production), improving the efficiency of marketing and providing safety nets for vulnerable populations. The founding objective of IGAD was to harness a regional approach for development and drought control. It broadened in 1995 to food and environmental security, maintaining peace and security and ensuring economic cooperation and integration between member states.

Six member states: Djibouti, Ethiopia, Kenya, Somalia, Sudan, Uganda.

<sup>38</sup> Labour force participation in agriculture average calculation does not include data for Cape Verde and Sierra Leone.

## Southern African Development Community – SADC

<b>Total Population</b>	273.4 million
<b>Youth Population</b> (age 15 – 24)	55.5 million (20.3% of total population)
<b>GDP</b> (current US\$)	574.8 billion
<b>Urban Population Growth</b> (annual)	3.1%
<b>Land Area</b> (ha)	964.6 million
<b>Arable Land</b> (ha)	52.9 million
<b>Agriculture Contribution to GDP</b> (annual)	16%
<b>Agricultural Imports</b> (% of total)	11.9%
<b>Agricultural Exports</b> (% of total)	15.3%
<b>Labour Force in Agriculture</b> (% of total)	56.7% <sup>39</sup>
<b>Agricultural Resources</b>	Cattle meat, cotton, fruit and vegetables, maize, peanuts, soybeans, sugar cane, tea, wheat
<b>Country implementation of CAADP</b> (6/15)	<b>Signed:</b> Democratic Republic of Congo, Malawi, Seychelles, Swaziland, Tanzania, Zambia <b>Succeeded:</b> Angola, Tanzania
<b>Country commitment to Maputo</b> (1/15)	Malawi
<b>Regional agricultural policy</b>	<b>Regional Agricultural Policy (RAP)</b> defines common agreed objectives to support actions in the agricultural sector at national and regional levels, in support of regional integration and in order to contribute to the attainment of the SADC Customs Union. Intended to implement existing declarations and frameworks of the common market. Commenced in March 2008. <b>Not yet finalised.</b>

15 member states: Angola, Botswana, Democratic Republic of Congo, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia, Zimbabwe.

## Arab Maghreb Union – AMU (UMA) **INACTIVE**

<b>Total Population</b>	87.8 million
<b>Youth Population</b> (age 15 – 24)	17.4 million (19.8% of total population)
<b>GDP</b> (current US\$)	360.9 billion
<b>Urban Population Growth</b> (annual)	2.1 %
<b>Land Area</b> (ha)	577.4 million
<b>Arable Land</b> (ha)	20.5 million
<b>Agriculture Contribution to GDP</b> (annual)	9.2%
<b>Agricultural Imports</b> (% of total)	18.8%
<b>Agricultural Exports</b> (% of total)	3.8%
<b>Labour Force in Agriculture</b> (% of total)	28.8%
<b>Agricultural Resources</b>	Almonds, cereals, fruits and vegetables, hides and skins, oils (olive, soybean, sunflower), sorghum, sugar cane, vineyards, wheat
<b>Country implementation of CAADP</b> (1/5)	<b>Signed:</b> Mauritania <b>Succeeded:</b> None
<b>Country commitment to Maputo</b> (0/5)	None
<b>Regional agricultural policy</b>	None

Five member states: Algeria, Libya, Mauritania, Morocco, Tunisia.

<sup>39</sup> Labour force participation in agriculture average calculation does not include data for Botswana, Democratic Republic of Congo and Madagascar

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#### TECHNICAL NOTES FOR REC FACTCARDS

Data expressed as the combined total for member states within a Regional Economic Community (population, land area, arable land, GDP, agricultural resources) or the average (urban population growth, agricultural contribution to GDP, imports, exports, labour force in agriculture).  
 Land area, population and urbanisation data refer to 2010. No data for South Sudan. GDP data in current US\$ refer to 2010, except for Djibouti and Libya which refer to 2009. No data for Somalia and South Sudan. Source: World Bank, World Development Indicators  
 Youth population data refer to 2010. No data for Djibouti, São Tomé and Príncipe, Seychelles and South Sudan. Source: International Labour Organisation, Key Indicators of the Labour Market (KILM) database.  
 Agriculture output data refer to 2010. No data for South Sudan. Source: EIU Country Data Tool; CIA World Factbook.  
 Arable land and agriculture import and export data refer to 2008. No data for Djibouti and South Sudan. Source: FAO Statistical Yearbook 2010  
 Labour force participation in agriculture data are for the latest available year which varies for each country. No data for Benin, Botswana, Cape Verde, Central African Republic, Democratic Republic of Congo, Congo, Djibouti, Equatorial Guinea, Madagascar, São Tomé and Príncipe, Sierra Leone and South Sudan. Source: CIA World Factbook.  
 Agricultural resources data are from 2010 or the latest available year. Source: Atlas de l'Afrique, Les Éditions du Jaguar; FAOSTAT  
 Respective REC websites and ARIA IV, 2010, were also used.

**ACRONYMS**

AAAF	Actis Africa Agribusiness Fund
AAC	African Agricultural Capital
ACP	African, Caribbean and Pacific Group of States
ADF	African Development Fund
AFCAS	African Commission on Agricultural Statistics
AfDB	African Development Bank
AGRA	Alliance for a Green Revolution in Africa
AMU	Arab Maghreb Union
ASARECA	Association for Strengthening Agricultural Research in Eastern and Central Africa
ASIF	African Seed Investment Fund
AU	African Union
AWARD	African Women in Agricultural Research and Development
CAADP	Comprehensive Africa Agriculture Development Programme
CAP	Common Agricultural Policy
CEN-SAD	Community of Sahel-Saharan States
CGIAR	Consultative Group on International Agricultural Research
CIA	Central Intelligence Agency
DAC	Development Assistance Committee
DEWA	Division of Early Warning Assessment
DFID	Department for International Development
EAC	East African Community
EAFF	Eastern Africa Farmers' Federation
EC	European Commission
ECCAS	Economic Community of Central African States
ECOWAS	Economic Community of West African States
EIU	Economist Intelligence Unit
EPA	Economic Partnership Agreement
EU	European Union
FAO	Food and Agriculture Organization
FARA	Forum for Agricultural Research in Africa
FANRPAN	Food Agriculture and Natural Resources Policy Analysis Network
G8	Group of Eight (Canada, France, Germany, Italy, Japan, Russia, UK, USA)
G20	Group of Twenty (Argentina, Australia, Brazil, Canada, China, EU, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, South Africa, South Korea, Saudi Arabia, Turkey, UK, USA)
GCARD	Global Conferences on Agricultural Research for Development
IATP	Institute for Agriculture and Trade Policy
ICT	Information and communication technology
IDA	International Development Association
IFAD	International Fund for Agricultural Development
IFPRI	International Food Policy Research Institute
IIED	International Institute for Environment and Development
ILO	International Labour Organization
IMF	International Monetary Fund
IPCC	Intergovernmental Panel on Climate Change
ITU	International Telecommunication Union
NEPAD	New Partnership for Africa's Development
OECD	Organisation for Economic Co-operation and Development
PAFFO	Pan-African Farmers' Forum
PROPAC	Plateforme Régionale des Organisations Paysannes d'Afrique Centrale
REC	Regional Economic Community
ROPFA	Réseau des Organisations Paysannes et de Producteurs de l'Afrique de l'Ouest
RUFORUM	Regional Universities Forum for Capacity Building in Agriculture
SACAU	Southern African Confederation of Agricultural Unions
SACP	Southern African Cotton Producers Association
SADC	Southern African Development Community
SADC-FANR	Southern African Development Community – Food, Agriculture and Natural Resources
SPEED	Statistics of Public Expenditure for Economic Development
UMAGRI	Union Maghrébine des Agriculteurs
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNECA	United Nations Economic Commission for Africa
UNEP	United Nations Environment Programme
UNFPA	United Nations Population Fund
UNHCT	United Nations High Level Task Force
UNIBRAIN	Universities, Business and Research in Agricultural Innovation
UNIDO	United Nations Industrial Development Organization
UNODC	United Nations Office on Drugs and Crime
USAID	United States Agency for International Development
WAAIF	West African Agricultural Investment Fund
WEF	World Economic Forum
WECARD	West and Central African Council for Agricultural Research and Development
WFP	World Food Programme
WDI	World Development Indicators
WHO	World Health Organization
WTO	World Trade Organization







# FOOD FOR THOUGHT

**One in seven people are hungry in the world**

**12 of the 20 highest commodity price increases since 2000 are agricultural commodities**

**Small or micro-scale farming is the primary source of livelihood for over ⅔ of Africans**

**60 million hectares of land was purchased or leased to foreign entities in Africa in 2009**

**80% of smallholders in Africa own less than two hectares of land**

**Small-scale farmers contribute over 90% of Africa's agricultural production**

**The cost of fertilisers rose 40% on average in the past year**

**Half of Africa's population will be living in cities by 2030**

**One in five of the world's young people will be African in 2040**

**70% of Africa's youth live in rural areas**

**18 African cities could have a combined spending power of \$1.3 trillion by 2030**

**Less than 5% of OECD donor aid has been allocated to agriculture since 2002**

**Youth make up 60% of all employment in African agriculture**

**More than 90% of African land remains outside the formal legal system**

**Sub-Saharan Africa's post-harvest grain losses could total \$4 billion a year**

**Women represent over 50% of the agricultural labour force in sub-Saharan Africa**

**In sub-Saharan Africa 25% of food cereal harvests are lost post-harvest**

**Somalia has the 12th highest cardiovascular disease deaths in the world and consumes more meat and dairy than the global average**

**Top 20 African agribusinesses have a combined turnover of \$21.6 billion, equal to the GDP of Cameroon**

**The African food import bill rose from \$20 billion to over \$33 billion between 2001 and 2006**

**250 times more investment in commodity index funds between 2003 and 2008**

**European Common Agricultural Policy uses 40% of European Commission budget**

**13 African countries are consuming more meat than the global average**

**16 of the world's fastest growing cities in the next 15 years will be African**

**Africa will have the largest working age population in the world by 2040**

**Over ⅔ of African countries are net importers of agricultural products**

**Africa imports approximately 28% of its calorie requirements**

**There are over 925 million hungry people in the world**

**249% increase in average daily volume for Corn Calendar Swaps since 2010**

**The value of post grain losses in sub-Saharan Africa is equivalent to the value of annual cereal imports in the region**

**Less than ¼ of L'Aquila commitments have been met**

**African trade tariffs are the highest in the world and 50% higher on average than comparable tariffs in Latin America and Asia**

**China and Brazil spend \$1.8 billion and \$1.1 billion respectively per year on agricultural research**

