



AFRICAN DEVELOPMENT BANK GROUP

The High 5 for transforming Africa
Le Top 5 pour transformer l'Afrique



Feed Africa
Nourrir l'Afrique

Africa Feeding Africa

Newsletter of the Agriculture and Agro-Industry Department

1st semester 2016

Editorial



AS part of the “High 5s” vision and the goal of “Feeding Africa”, the Bank is supporting the preparation of a continent-wide strategy for the transformation of African agriculture titled “Feed Africa: A Strategy for Agricultural Transformation in Africa (2016-2025)”.

The Bank’s Agriculture and Agro-Industry Department (OSAN) is proud to take centre stage in the design and implementation of the Strategy for African Agricultural Transformation (ATA).

As this constitutes one of the most important strategic priorities of the Bank, we at OSAN are enthusiastic and ambitious in helping to deliver the mission aimed at achieving this goal.

I am pleased to share with you this newsletter to brief you on our portfolio of operations and special initiatives, as well as track portfolio performance.

This first edition covering the first semester of 2016 has a special focus on innovation. Amongst other things, we’ll look back on the innovative finance facility set in Liberia to support agriculture or at the positive results of our inclusive and sustainable “model farms” in the Democratic Republic of Congo.

Chiji Ojukwu
Director
Agriculture and Agro-Industry
Department

Feed Africa strategy targets innovation gap for Africa’s agricultural transformation

THE particular role of technology in agriculture is being addressed in a flagship initiative named “Technologies for Africa’s Agricultural Transformation (TAAT)” as part of the Feed Africa strategy prepared by the Agriculture and Agro-Industry Department (OSAN).

TAAT is designed to scale up proven agricultural technologies in order to boost productivity —which is critical for transforming agriculture on the continent. This would ensure that Africa is not only able to feed itself, but also that agriculture becomes a pathway for long-term growth and shared prosperity.

New techniques, especially in the application of information and communication technologies to agriculture, financial and information services, opened up new ways of modernizing agricultural value chains, in a particularly inclusive manner, thus benefiting segments of populations that are otherwise often underserved, such as women and youth.

“Adopting modernized, commercial agriculture is key to transforming Africa and the livelihoods of its people,

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particularly the rural poor,” said Akinwumi Adesina, AfDB President, at the workshop on Technologies and Africa’s Agricultural Transformation, held at the International Institute of Tropical Agriculture (IITA) from 12-14 April 2016.

The Feed Africa strategy illustrates the drive to transform African Agriculture into a globally competitive, inclusive and business-oriented sector that creates wealth, generates gainful employment, and improves quality of life. It also seeks to bring to scale existing and successful initiatives across Africa and beyond.

Feed Africa has four core goals:

- to contribute to eliminating extreme poverty in Africa;
- to end hunger and malnutrition in Africa;
- to make Africa a net food exporter; and
- to move Africa to the top of the global value chains.

Markets worth US\$100bn

In line with its goals, 320 million people should no longer be classified as undernourished by 2025. In addition, 130 million would be lifted out of extreme poverty. Africa should be a net exporter of agricultural commodities, representing the substitution of US\$110bn worth of imports. Finally, Africa will double its share of market value for select processed commodities.

Fulfilling the potential of Africa’s agribusiness and meeting these goals could open up markets worth more than US\$100bn per year by 2025 as the initial set of value chains identified present annual revenue opportunities worth US\$ 85bn by 2025.

Feed Africa is underpinned by 7 enablers:

- Increased Productivity;
- Increased Value Addition;
- Increased Investment in Hard and Soft Infrastructure;
- Expanded Agricultural Finance;
- Improved Agribusiness Environment;
- Increased Inclusivity, Sustainability, and Nutrition; and
- Partnerships.

The seven enablers are designed to give life to a range of flagship initiatives — 15 in total. The TAAT program is one of the many initiatives stemming from enabler number 1: Increased productivity.

AfDB bets on diversity in innovation to transform Africa’s agriculture

SCIENCE and technologies are transforming the agricultural sector, more than ever before. From the use of modern biotechnology, drones, smart systems for efficient management of water and nutrients, technologies and innovations are turning farms into “intelligent farms”.

Africa needs to invest more in science and technology to become more efficient and competitive in agriculture – and to diversify rapidly its economies. Focus on some initiatives launched by the AfDB and its partners to scale up agricultural technologies in order to reach millions of farmers in Africa within ten years.

A roadmap to financial inclusion in Liberia, Todee

Some 150,000 Liberian farmers are to benefit from financing and innovative technology thanks to the Liberian Agriculture Transformation Agenda (LATA), launched by the Government with support from the African Development Bank. With 10% of its adult population having subscribed to mobile money accounts, Liberia can boast of being able to double this figure, with the supports of the AfDB.

The program leverages technology provided by Cellulant Nigeria Ltd., probably the most innovative digital platform supplier in agri-business in Africa. It connects recipients of inputs (fertilizers and seeds) to financial services providers



via mobile wallets. This new technology maps existing farms and tags them to their owners in a unique database. Its econometric model could project the amount of input support needed from the information collected (land size, crop type, demand).



in innovation to transform



Through the ongoing Smallholder Agricultural Productivity Enhancement and Commercialization (SAPEC) Project, it is planned that 150,000 Liberian farmers will be enumerated in the 2016 planting season. From a simple wallet in their home village, farmers will be able to directly receive input support for fertilizers, relevant data and alerts, be visible and simply exist in the financial system.

In a parallel activity, the Project will promote SME financing by assisting agro-dealers to receive funding from commercial banks through a risk-sharing agreement with the Government. Interest rates for on lending are expected to drop several points, thereby boosting access to microcredit.

This significant step is a gateway to wider financial services: premium insurance, microcredit and savings.

“Model Farms” for an inclusive and sustainable agriculture in DRC

The overall objective of contributing to the reduction of deforestation and forest degradation in natural forests, while reducing poverty in the Congo Basin is at the center of the integrated REDD+ LUKI Pilot Project, based around the Biosphere Reserve of Luki (RBL) in the Mayombe Forest (CBFF-Luki).

The project’s specific objectives are to increase forest cover, forest regeneration and savannas to as to reduce deforestation; improve the living conditions of the local populations of the RBL and set up a local

governance system; and contribute to the development of the National REDD + Strategy to enable the DRC to be eligible for carbon market benefits and payments for ecosystem services.

In order to achieving this goals, the project has defined several field strategies including the implementation of a system of integrated management reserves in the context of sustainable development reserves and the development of pilot model farms. The model farms are agriculture sites developed for the practice of integrated, settled and sustainable farming.

The project supports the implementation 30 pilot farms in order to respond to the recurring problem of slash and burn agriculture and low production of agricultural products in order to ultimately help respond to the problem of poverty around the LUKI Biosphere reserve.

“ Model Farms “ are designed to be a model of sustainable integrated agricultural production at the community level. The future vision of the activity is to continue with the system to settle farmers and fight against unsustainable agricultural practices and promote sustainable development and the fight against poverty.



Sudan’s ENABLE Youth Program

A recent country visit and country dialogue revealed that Sudan is among the countries that have expressed keen interest in participating in the ENABLE Youth Program and have requested the Bank’s support. In response, OSAN has secured USD 8.5 million from the Transition Support Facility (an initiative of the AfDB) for the design and preparation of a country-specific ENABLE youth program in Sudan.

The Bank undertook a dialogue mission to Sudan during 20-24 March 2016. The mission held valuable discussions with Government agencies and other stakeholders including development partners to lay the groundwork for the design and piloting of the ENABLE Youth project Sudan.

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AfDB to launch Feed Africa strategy across the continent

THE African Development Bank Group will be launching “Feed Africa: A Strategy for Agricultural Transformation in Africa 2016-2025” across the continent with a regional roadshow which will take the strategy to five countries from 8-24 November 2016. The implementation and engagement workshops will be held in Lusaka, Zambia (November 8th); Yaounde, Cameroon (November 11th); Tunis, Tunisia (November 17th), Dakar, Senegal and Kampala, Uganda (both on November 24th).

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Cameroon: a new vision to boost the economy of non-wood forest

The project contributes to poverty alleviation and sustainable forest management in Central Africa in general and specifically in Burundi, Chad, Equatorial Guinea, Rwanda, Sao Tome and Principe, through the value addition to non-wood forest products by local people, including support to developing small scale forest enterprises.

Non-wood forest products (NWFP) became more important in Central Africa during the economic crisis of the mid 1980s, which caused a decline in the international market prices of cocoa and coffee and motivated farmers to diversify their income sources by exploiting increasingly NWFP, partly for consumption, and mainly for sale.

The devaluation of the CFA Franc in January 1994 increased the price of pharmaceutical products and encouraged urban and rural households to turn to medicinal plants for use in curing common ailments.



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The objective of the decentralised launches is to engage local audiences with aspects of the Feed Africa Strategy which are directly relevant to their environment.

The workshops will feature key statements made by high profile guests, a presentation of the strategy and a panel discussion featuring local stakeholders. They will provide an opportunity to highlight the most impactful agriculture projects of the AfDB in each of the respective countries.

The event will bring together a wide range of participants including Bank staff, local public and private sector partners, representative from women’s associations and youth, development partners and the media.

“Feed Africa” strategy unveiled during AfDB’s 2016 Annual Meetings

THE AfDB has unveiled its Agricultural Transformation in Africa strategy on 24 May 2016 on the sidelines of its Annual Meetings in Lusaka, Zambia. The AfDB plans to improve the agriculture sector in Africa by embarking on an ambitious fifteen-point plan covering seven enablers, which, amongst other things, aims at transforming the sector and empowering smallholder farmers and youths.

AfDB’s Agriculture and Agro-Industry Director, Chiji Ojukwu, said agriculture remained a major source of income in Africa, but its untapped potential had resulted in persistent poverty and deteriorating food security. Ojukwu said among the strategies mapped out was to increase productivity, realize increased

In brief...

Workshop on the role of agropoles

The AfDB organized a workshop on “The Role of Agropoles and Agro-Processing Zones (APZ) in Feeding and Industrializing Africa” during 22-23 March, 2016 in Abidjan, Côte d’Ivoire. The four recommendations made by the participants were: support the establishment of a network of agropoles and agroprocessing zones; facilitate investments in countries facing situations of fragility; develop strategic guidelines for the creation of agropoles and provide technical assistance to them; integrate the development of agropoles in other initiatives supported by the AfDB such as agricultural value chains, youth employment, commodity exchanges...

Design workshop on the ENABLE Youth Program

The Bank, in collaboration with IITA, organized the ENABLE (Empowering Novel Agri-Business-Led Employment) Youth Program Design Workshop from 21-22 April, 2016 in Abuja, Nigeria. Two hundred delegates from more than 30 countries attended the workshop, which featured prominent speakers, including private entrepreneurs such as Aliko Dangote and Tony Elumelu, Ministers of Agriculture and Ministers of Youth from 10 African countries.

production and increased investment in hard and soft infrastructure.

AfDB President, Akinwumi Adesina, who also participated in the panel discussion, said Africa needed to look at agriculture in a different perspective if the continent was to actualize its dream of diversification. He added that agriculture had the potential to stabilize economies and should be looked at as a business.

“We can’t keep sitting on potential. We need to change our mindset - agriculture is a business. Why is it that people in agriculture are poor? We must change this, agriculture is a business and a source of creating wealth and employment,” Adesina said.

Publishing Director:
Chiji Ojukwu
c.ojukwu@afdb.org

Coordinator:
Benedict Kanu
b.kanu@afdb.org

Editor-in-chief:
Damian Ihedioha
d.ihedioha@afdb.org

Editor:
Marie-Ange Nouroumbay
m.nouroumbay@afdb.org

News Desk Editor:
Chawki Chahed
c.chahed@afdb.org