

Mega trends to define agriculture in sub-Saharan Africa in 2055

by

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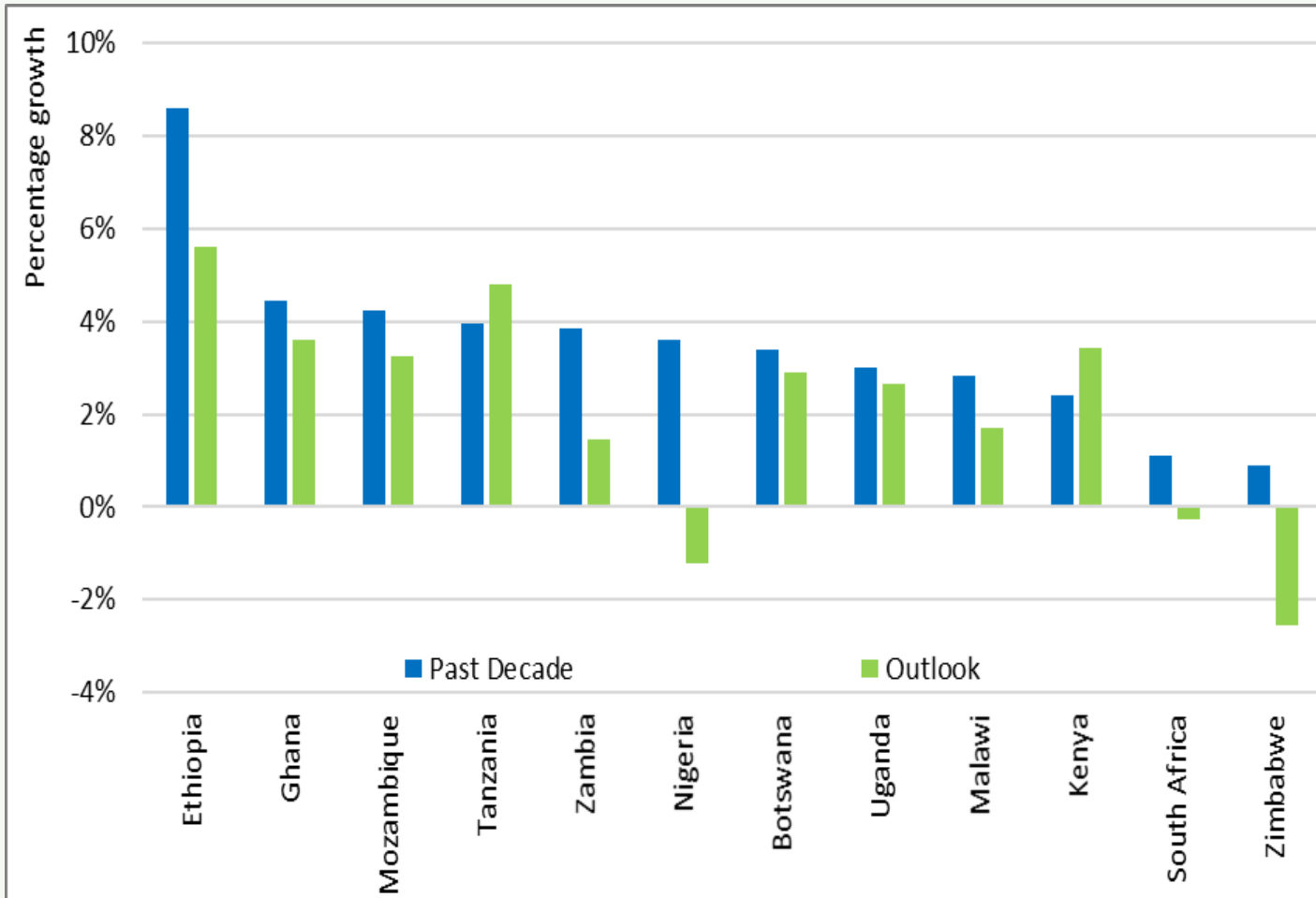


Why Africa?



Africa rising... but risks remain

Per capita GDP growth: outlook vs. past decade



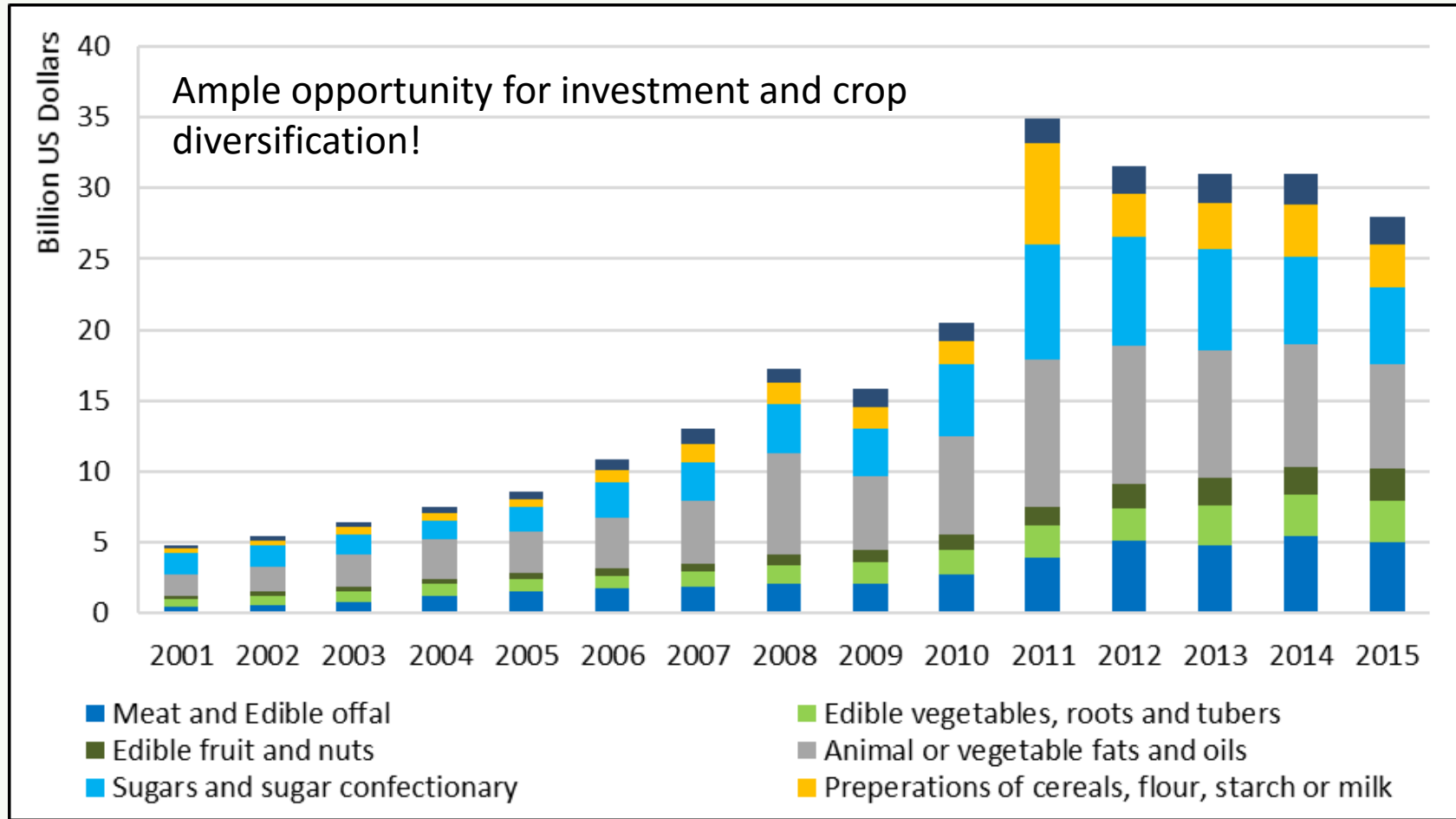
Past decade growth:

- Improved business and macro-economic environment
- Commodity price boom
- Accommodative financial conditions globally
- Absolute income remains low
- Commodity exporters must adapt
- Agriculture remains important sector – 15%-40% of GDP in many countries

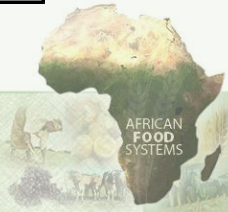
Source: IMF World Economic Outlook, October 2016



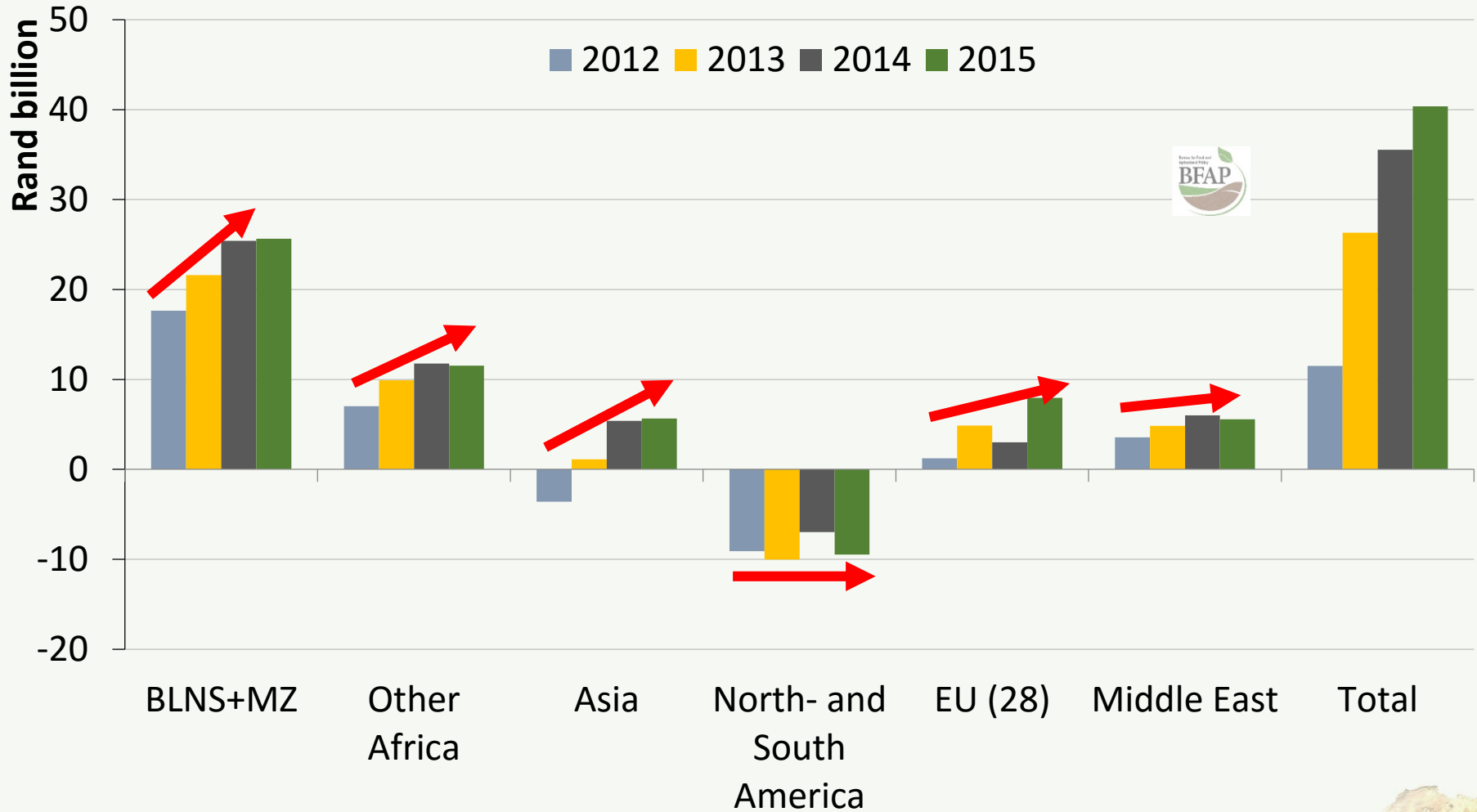
Rising imports of higher value products



Source: ITC, 2016



SA agricultural net exports



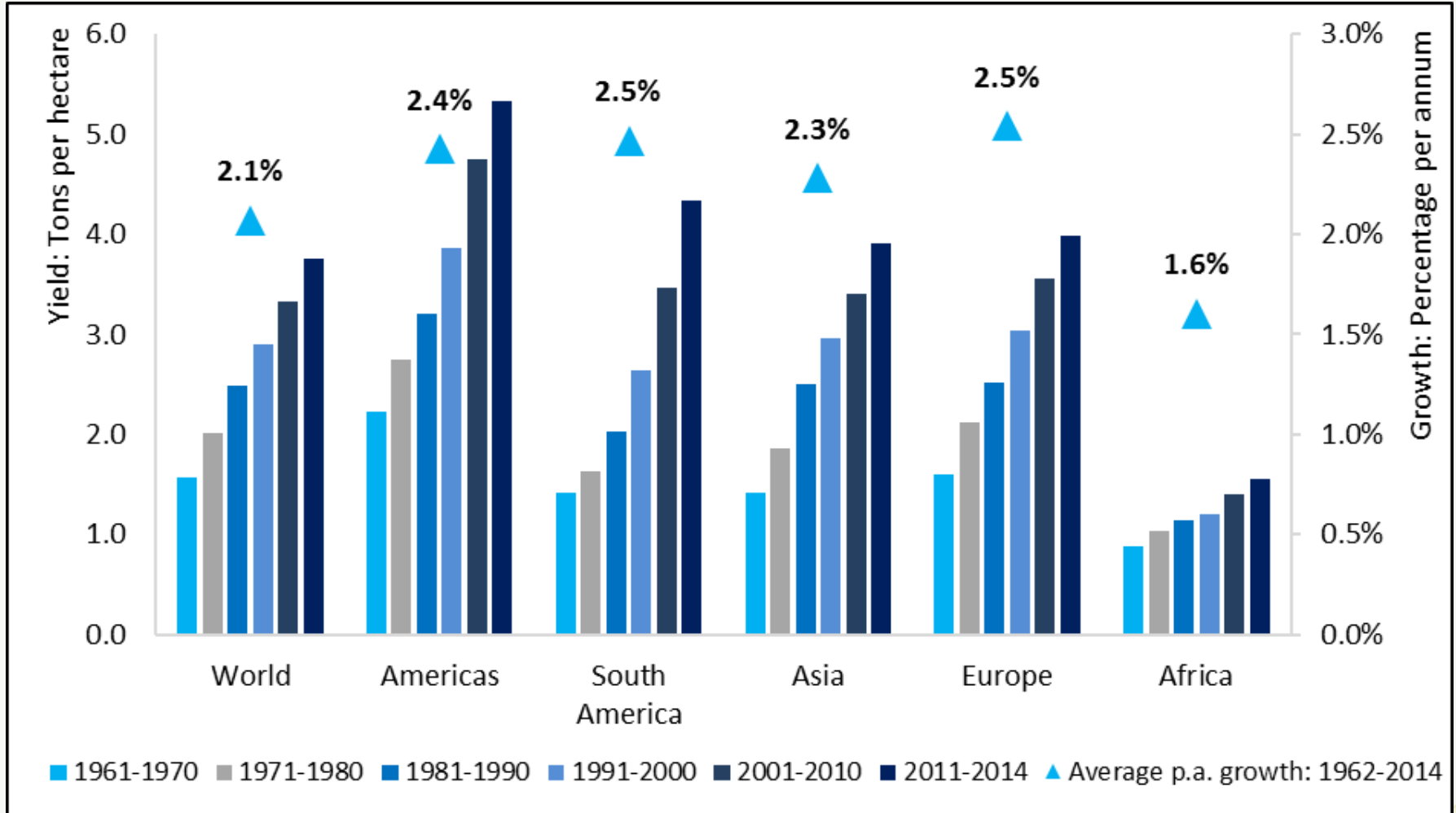
Land availability

	Non-forested unutilized land (1000s Ha)	Proportion (%)	Cumulative proportion (%)
Democratic Republic of Congo (DRC)	84824	46.5	46.5
Angola	18889	10.4	56.9
Congo	12872	7.1	63.9
Zambia	10834	5.9	69.9
Cameroon	10447	5.7	75.6
Mozambique	8994	4.9	80.5
Central African Republic	7049	3.9	84.4
Gabon	6534	3.6	88
Sudan	5803	3.2	91.2
Rest of Africa	16084	8.8	100

Source: Jayne et al, 2014



Scope for productivity gains



Source: FAOSTAT, 2016



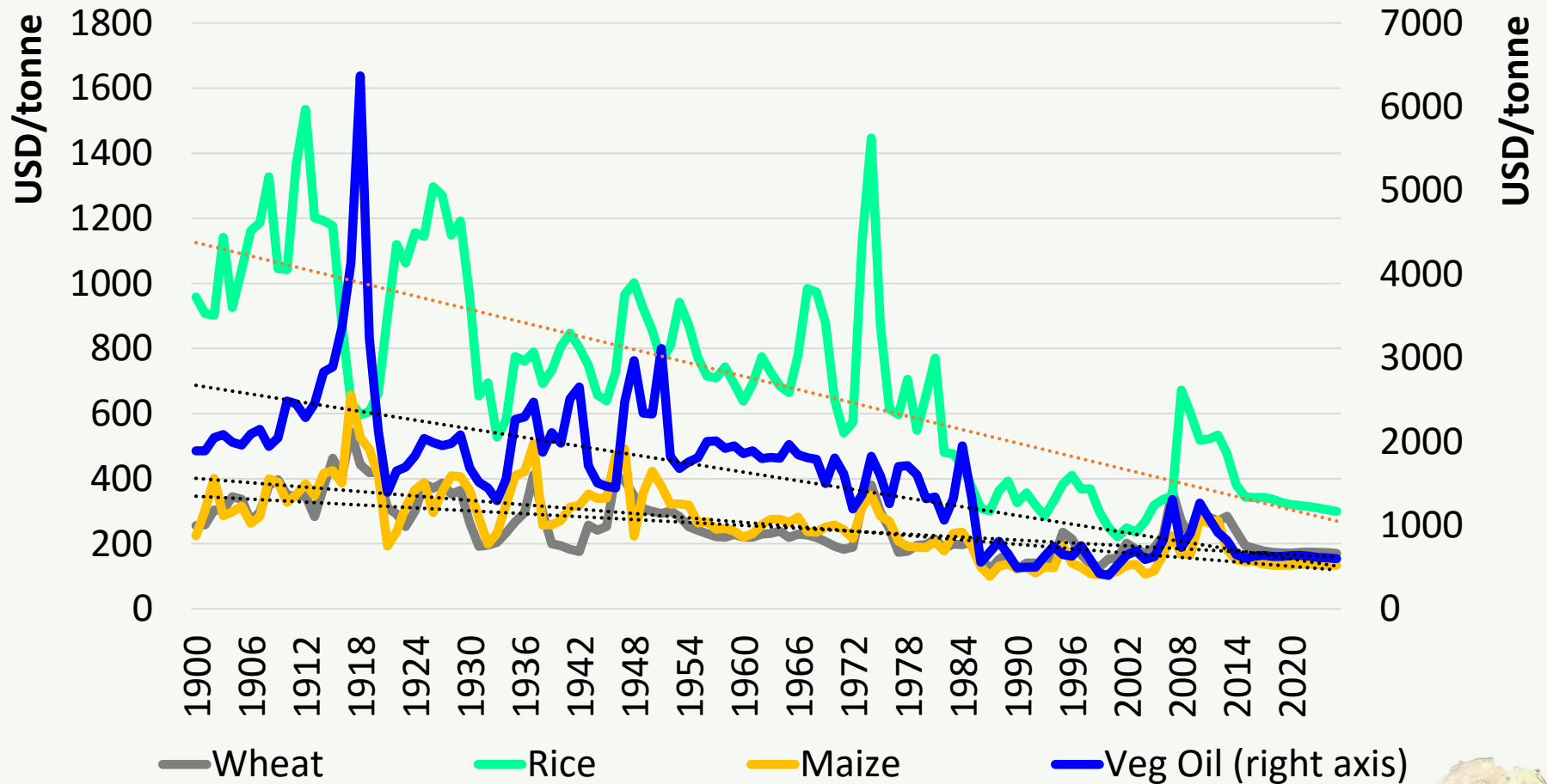
Megatrends shaping Africa's future

7 Megatrends

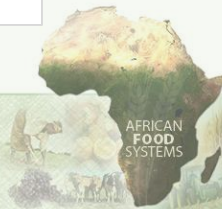
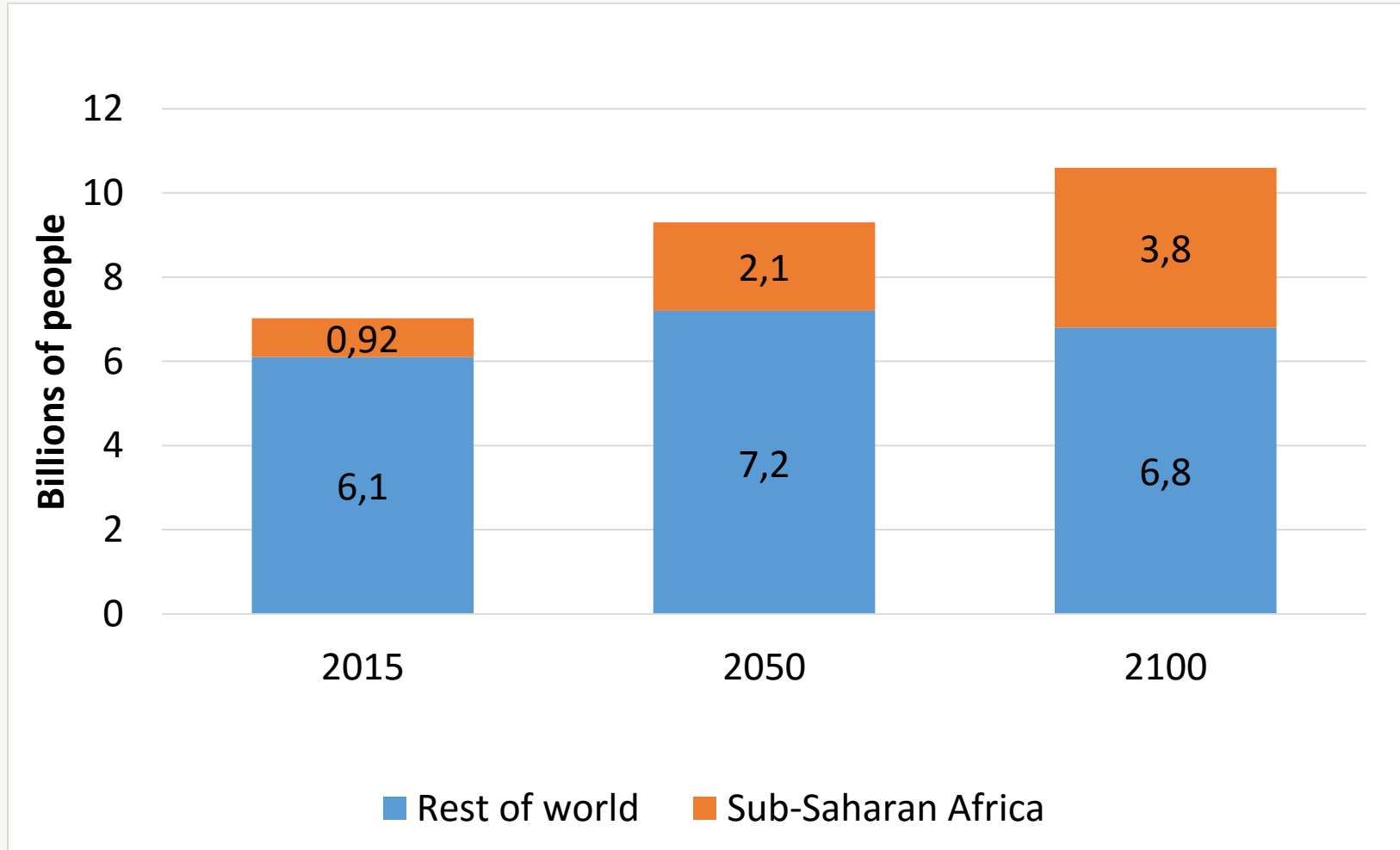
1. Global food and energy prices
2. Africa's Population explosion
3. Shift in labour force to non-farm employment
4. Changing Farm structure
5. Soil degradation
6. Climate variability



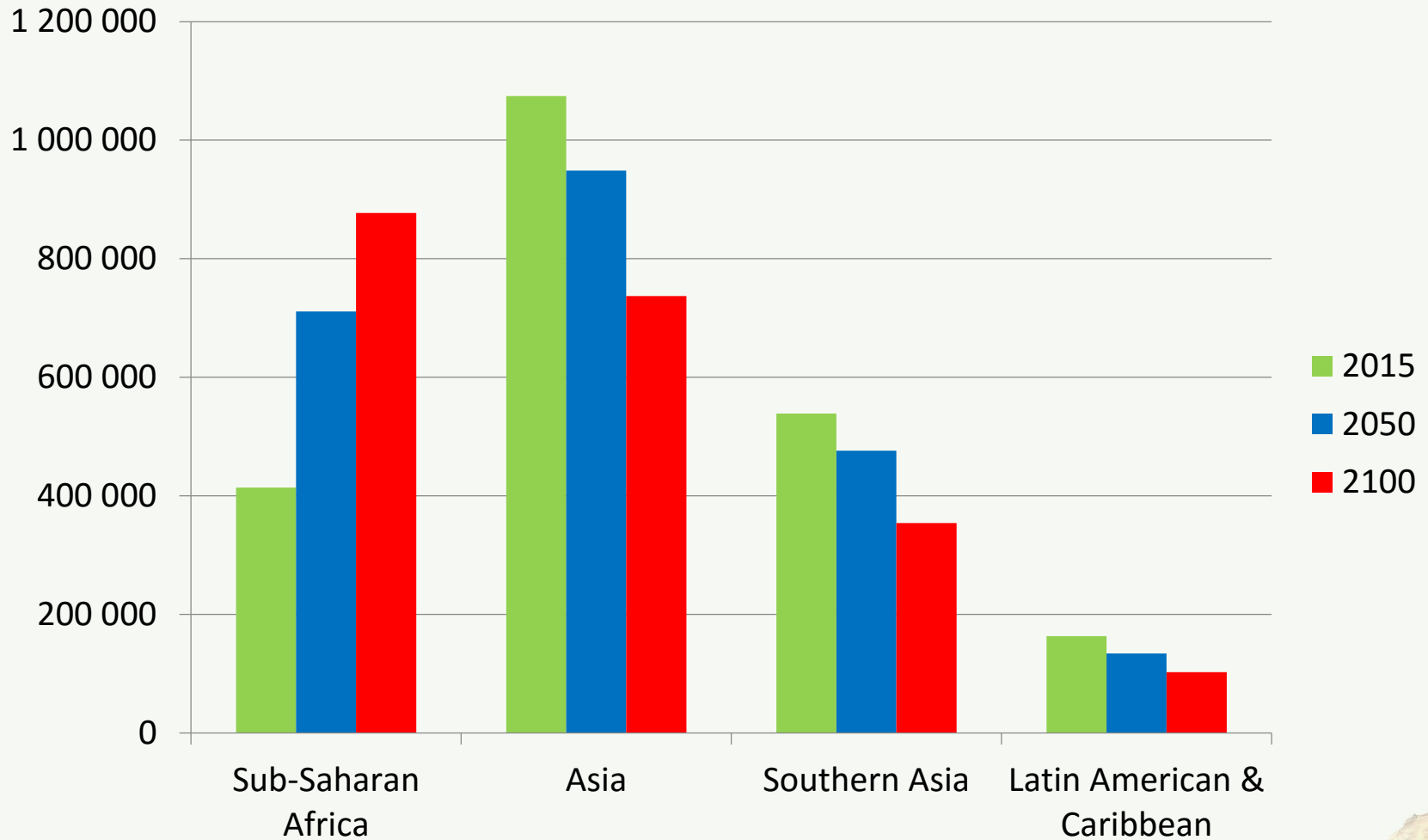
Megatrend 1: Global food and energy prices



Megatrend 2: Africa's population explosion



Megatrend 2: Africa's population explosion



Megatrend 3:

Shift in labour force to non-farm employment

Country	Survey years	Total # of jobs in millions	Farming		Off-farm within AFS				Off-farm outside AFS	
					Agro-processing		Downstream commerce and distribution			
			% of jobs	% of FTE jobs	% of jobs	% of FTE jobs	% of jobs	% of FTE jobs	% of jobs	% of FTE jobs
Ghana	2005/06	10.1	52.1	43.5	7.5	6.3	7.1	8.6	33.3	41.6
	2012/13	13.9	43.6	34.3	3.7	3.7	13.8	15.5	38.9	46.5
Nigeria	2010/11	62.3	37.0	30.6	2.6	2.3	16.1	18.7	44.4	48.2
	2012/13	69.7	42.1	33.7	4.8	4.6	16.2	18.6	36.9	43.1
Rwanda	2005/06	6.1	75.2	65.7	0.4	0.4	6.5	7.4	18.0	26.6
	2010/11	9.1	67.4	54.0	1.1	1.2	5.7	7.7	25.9	37.0
Tanzania	2010/11	18.4	59.0	47.3	1.7	2.5	12.5	15.0	26.8	35.2
	2012/13	20.4	58.7	48.3	1.5	1.6	12.5	15.6	27.3	34.5
Uganda	2005/06	10.8	72.6	57.0	2.1	2.8	5.7	10.2	19.6	30.0
	2011/12	15.9	67.1	48.6	2.8	1.7	6.6	12.0	23.5	37.7
Zambia	2005	4.7	73.8	61.2	1.2	1.6	1.9	3.1	23.1	34.1
	2012	5.3	60.4	46.7	1.6	2.1	4.9	7.1	33.2	44.1
Kenya~	1999	11.1	54.4	-				45.6		
	2009	14.2	45.6	-				54.4		
Malawi~	1998	1.9	73.3	-				26.7		
	2008	2.0	53.9	-				46.1		
Mali~	1998	2.0	79.6	-				20.4		
	2009	2.6	64.2	-				35.8		

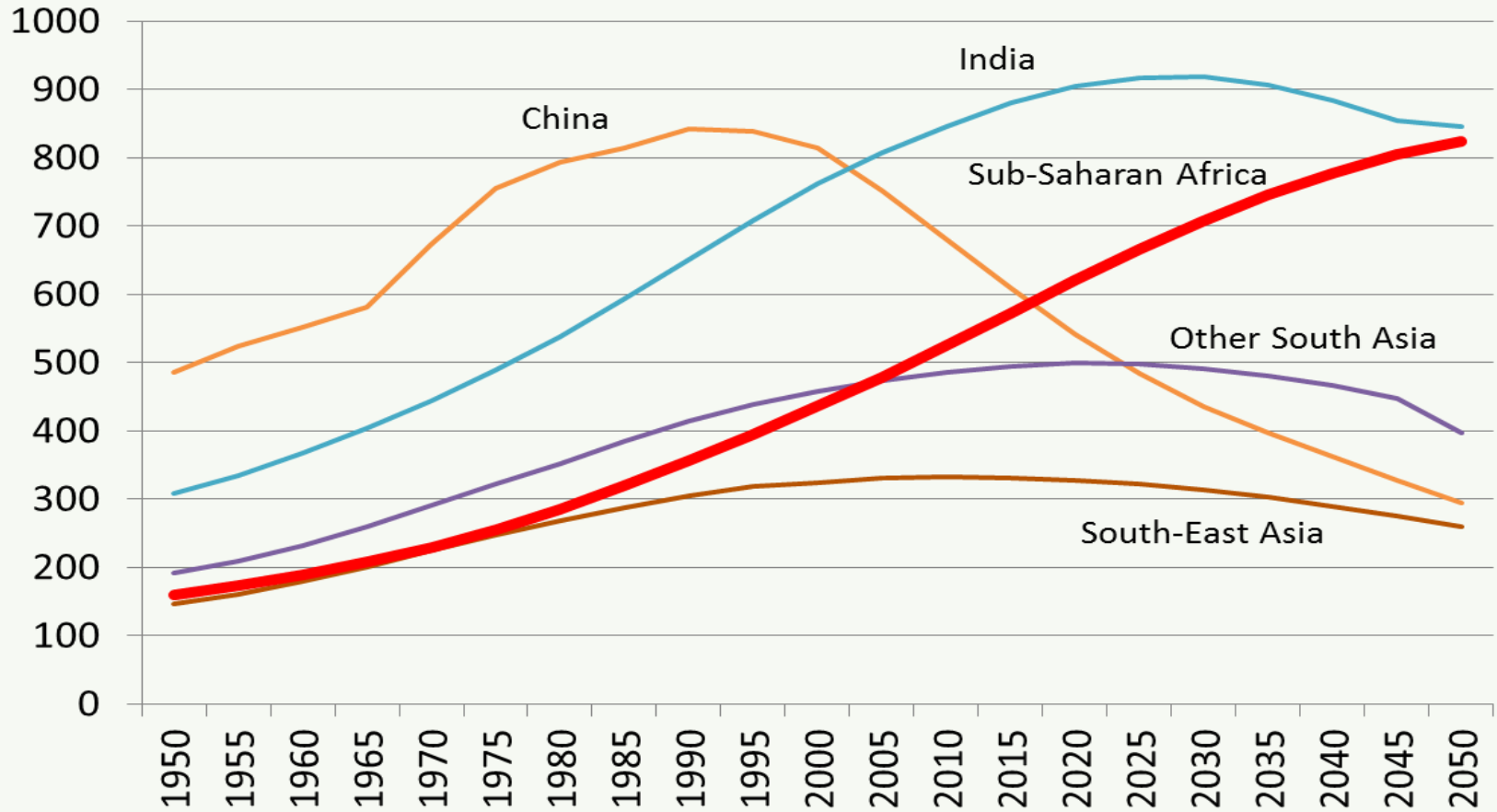
Source: Yeboah and Jayne (2016)



Megatrend 3:

Shift in labour force to non-farm employment

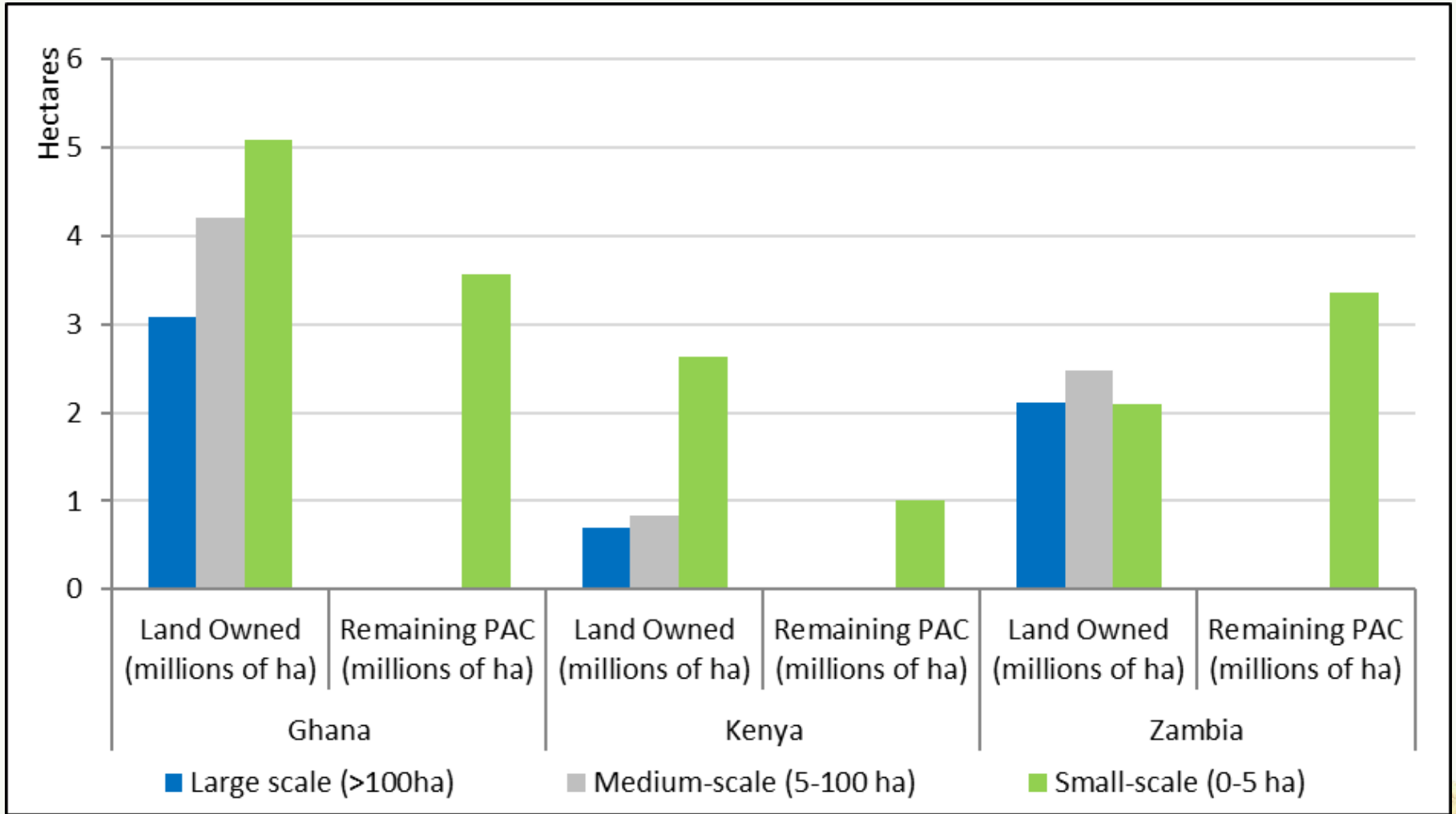
Rural Population (millions)



Source: United Nations (2016)



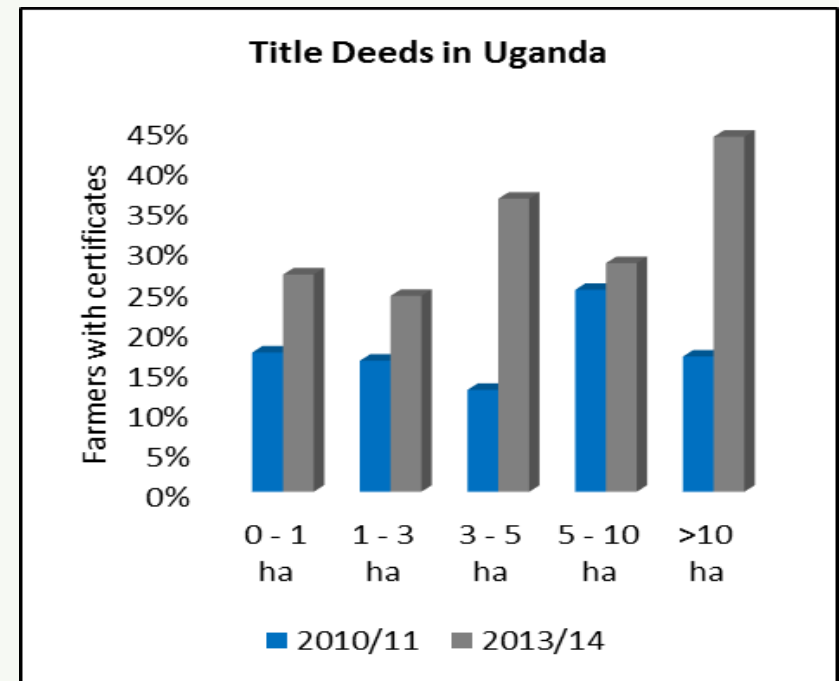
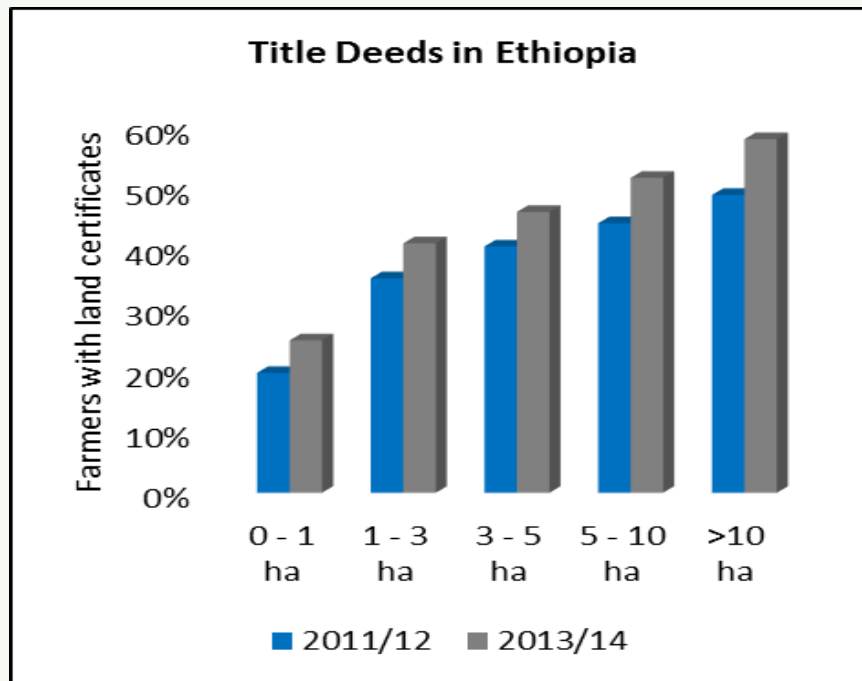
Megatrend 4: Changing farm structure



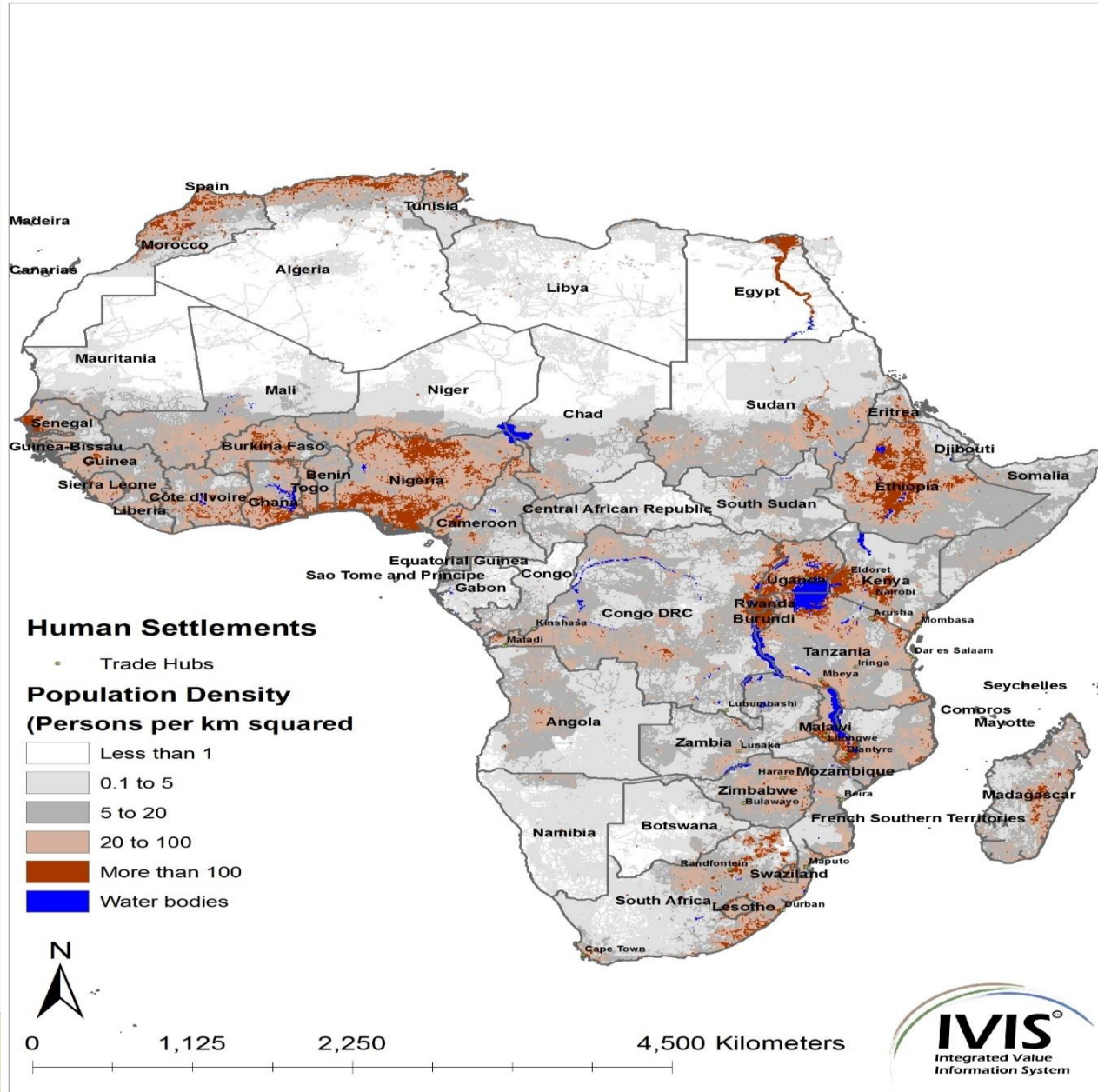
Source: Jayne et. al., 2016

Megatrend 4: Changing farm structure

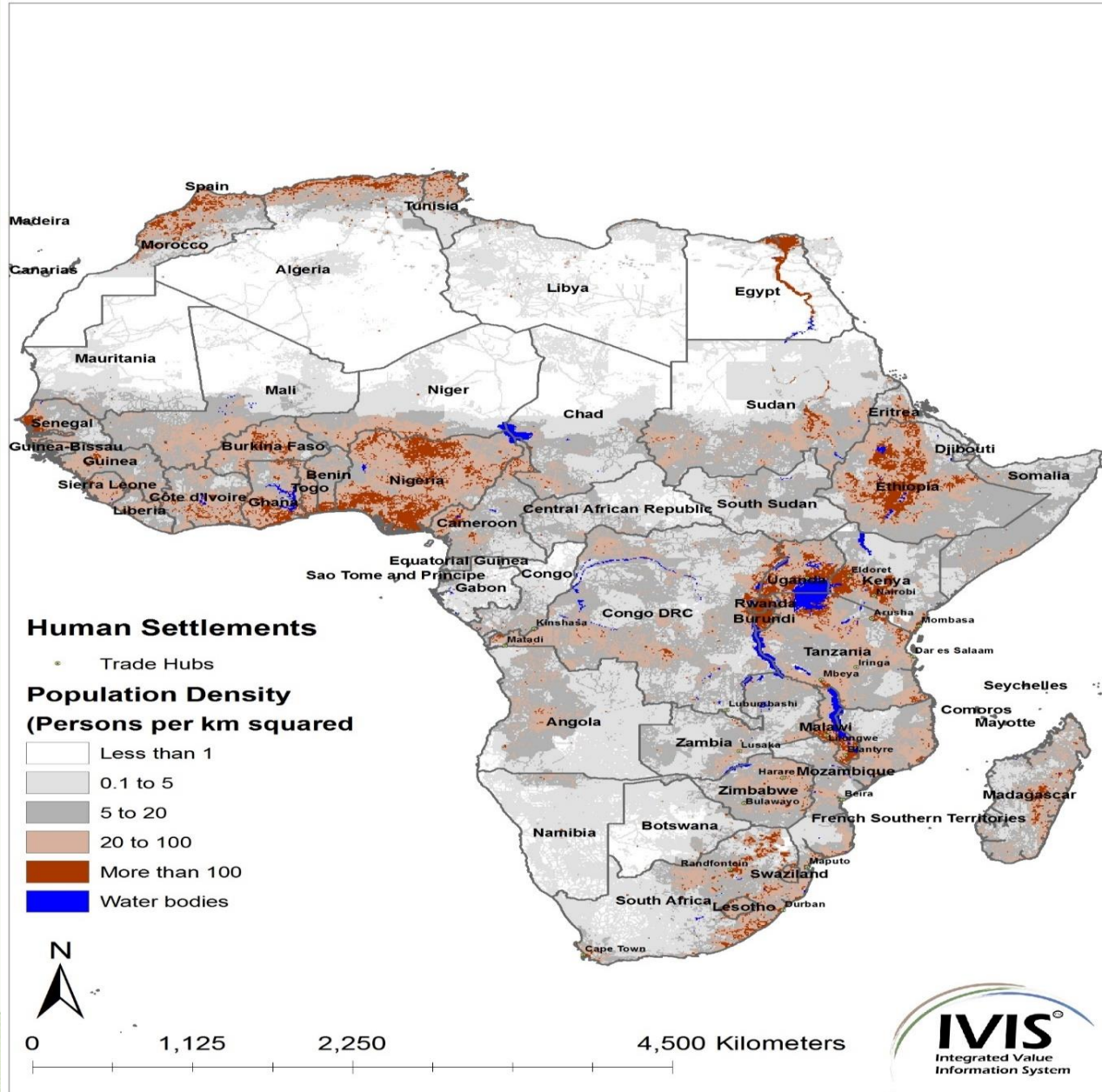
- Concerted effort to transfer land from customary tenure to private individuals
- Tenure changes linked with changes in land markets as land sales and rental markets develop rapidly
- Provides opportunities for investment in African agriculture



Megatrend 5: Soil degradation



Megatrend 5: Soil degradation

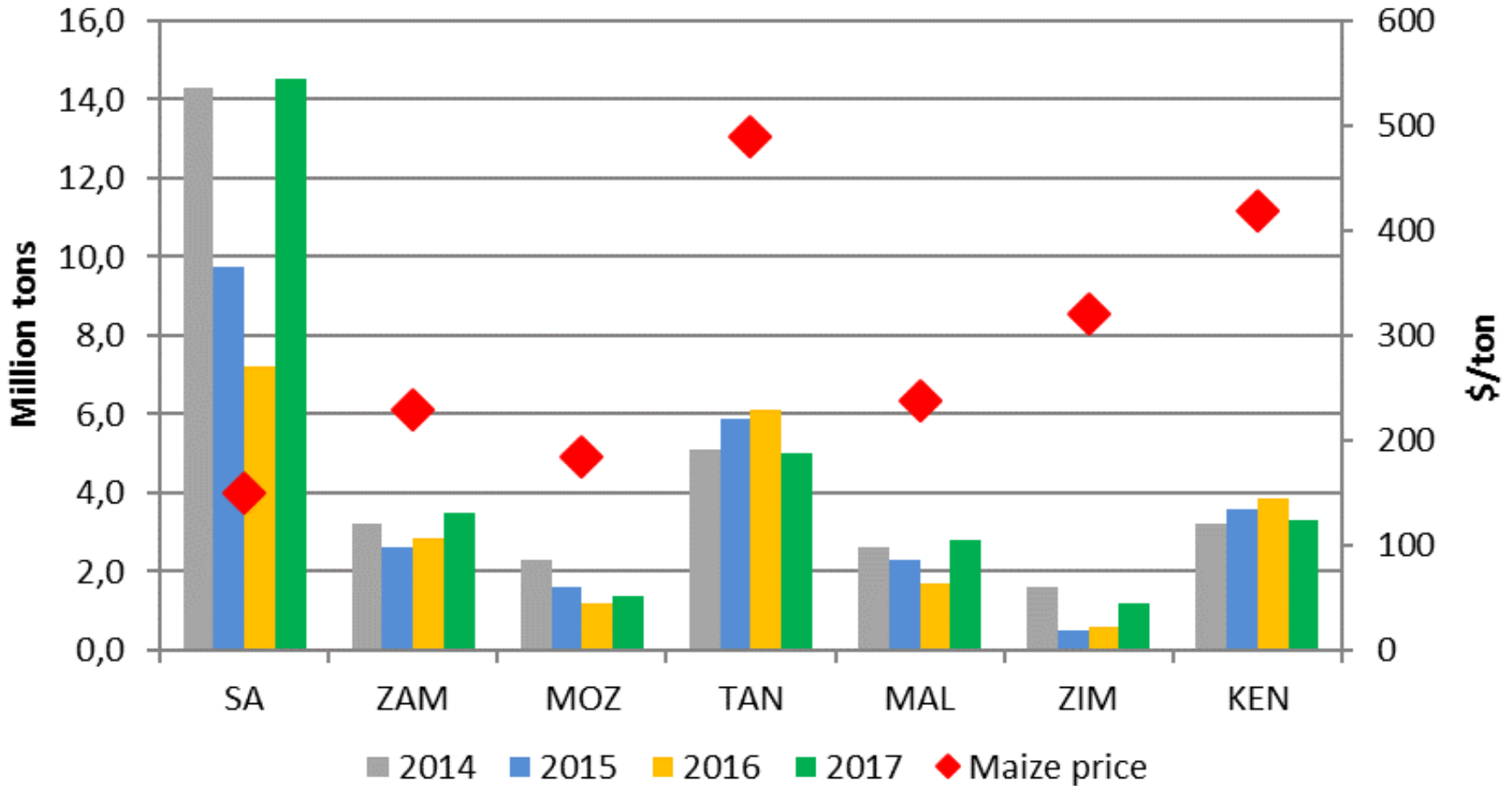


Megatrend 5: Soil degradation

Country	Survey year	Use of agricultural inputs and access to extension services (% of households)					Cereal yield (t/ha): 2005-2014	Area under cereals (million hectares)
		Improved Seed	Fertilisers	Manure	Pesticides / Herbicides	Access to extension services		
Tanzania	2012/13	15.8	9.4	13.3	9.4	6.3	1.4	5.45
Malawi	2013	55.7	74.2	19.8	5.7	63.1	1.8	1.79
Uganda	2011/12	27.7	5.6	15.4	14.7	27.9	1.9	1.67
Ghana	2009/10	12.8	10.9	3.8	18.2	9.8	1.6	1.52
Nigeria	2012/13	27.8	45.0	-	19.3	12.0	1.5	16.87
Ethiopia	2011/12	16.8	7.4	9.1	24.0	32.1	1.8	9.32

Megatrend 6: Greater climate variability

Maize production



Source: ReNAPRI, 2017

Thank you!

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