



# IFPRI AT 40

## LOOKING BACK, LOOKING FORWARD

November 18, 2015

Washington Marriott Wardman Park Hotel, Washington, DC

### Speaker Remarks

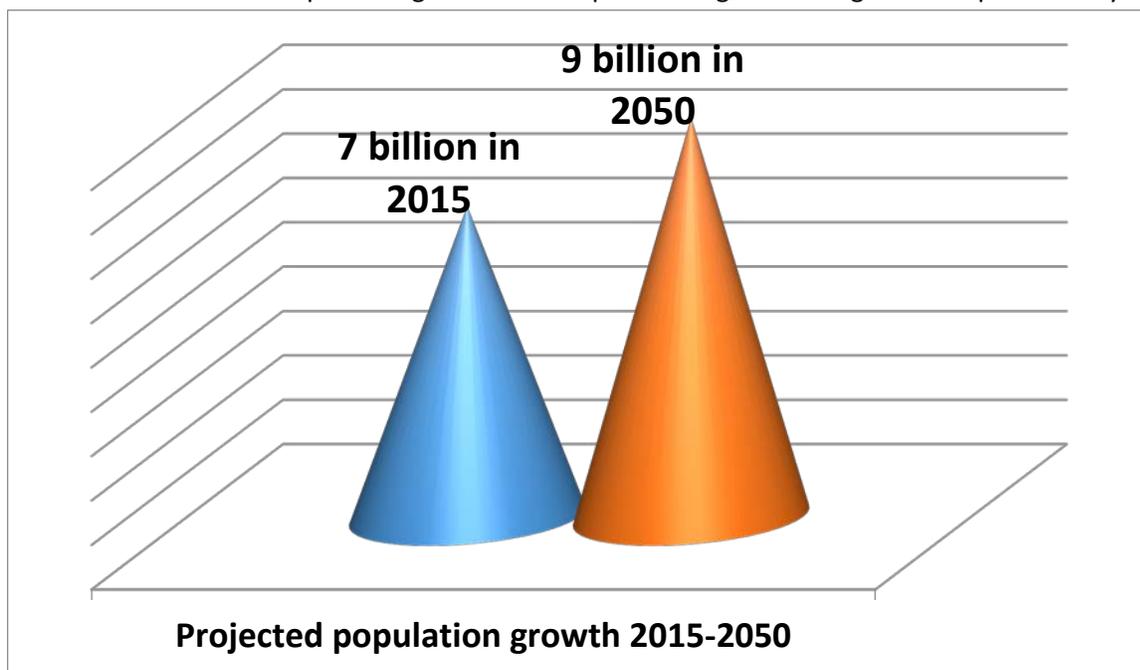
**Keynote Speaker:** **Frannie Léautier**  
Co-founding Partner and Chairperson  
Mkoba Private Equity Fund, Tanzania

I would like to congratulate IFPRI and its Director General, members of the management team and staff for the 40<sup>th</sup> Anniversary. The great work over the years allows us to celebrate with knowledge and concrete examples of success stories, what has been accomplished.

I am reminded of a woman who turned 40 and said during her birthday celebration that she is 18 with 22 years of experience. My remarks would be based on this approach: what would IFPRI do if it were 18 with 22 years of experience—looking back and looking forwards?

***First, what are the principal patterns of shifts in food and nutrition and what is producing those dynamics?***

**Population:** More than half of the projected growth in global population in the next 35 years will occur in Sub-Saharan Africa. Population growth has outpaced the growth in agricultural productivity.



**Food Security:** 1 in 7 people are continuously hungry in the world today and there are very few regional food markets that work in Africa despite having a possibility to feed the world based on global

production. The recent famine challenges in Ethiopia could largely be resolved by importing food from other African countries but the food packaging does not meet global standards and there are constraints to logistics and supply chains for delivery.

**Aging:** an aging population (granny farmers) now supports agriculture in many rural areas)—due to urbanization and transformation of societies. The average age of a farmer in Africa is 60 (it is 55 in the USA). An aging population is supporting agriculture in Africa.



**Feminization:** The share of women in agriculture in Africa is between 45-60 percent depending on the country. Agriculture is becoming increasingly feminine—Morocco number of women in agriculture grew 8 times between 1995 and 2012. It grew 3 times in Mauritius.

**Nutrition:** There is a shift in diets across the world with implications for hunger, famine, and nutrition with many developing countries facing the twin

challenges of malnutrition and obesity. Also critical is the need to balance the needs of the very young and those of the elderly as the continent has a large number of youth, but also has a large number of aging people.

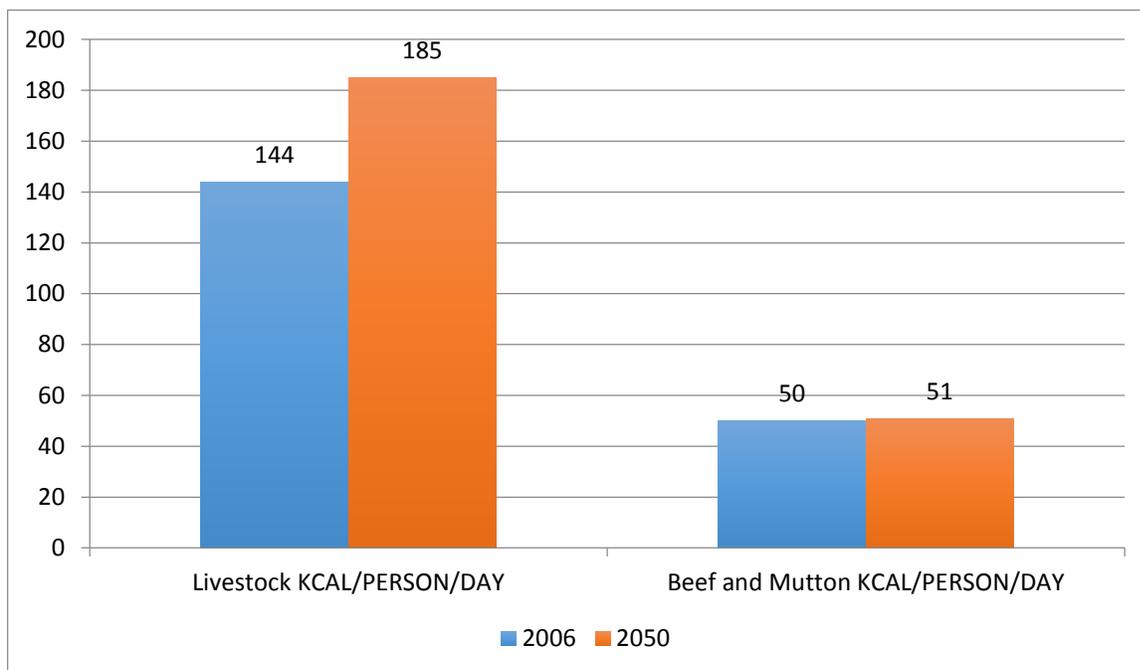
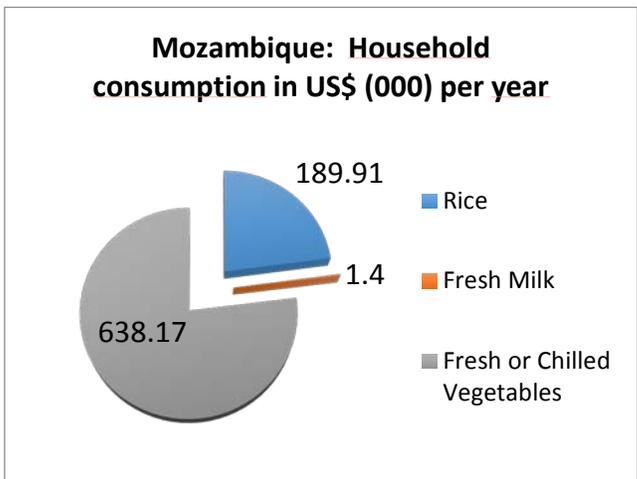
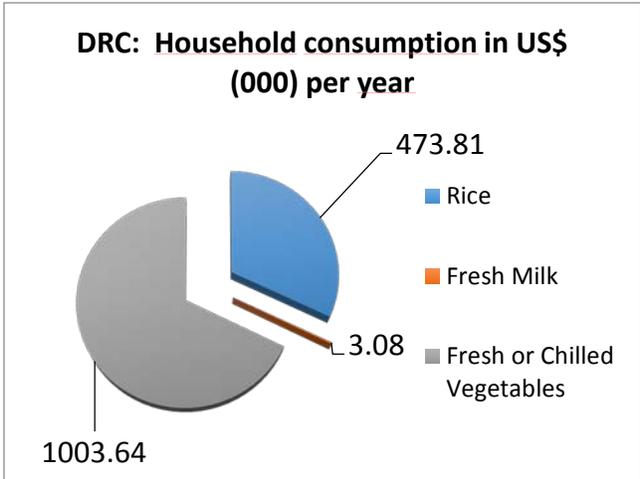
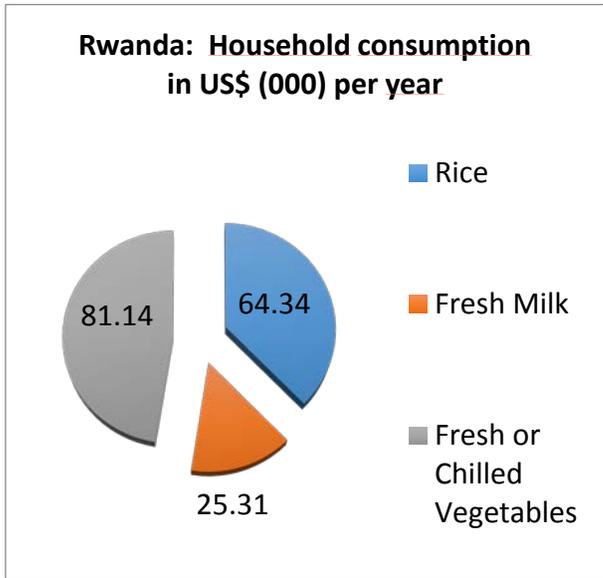
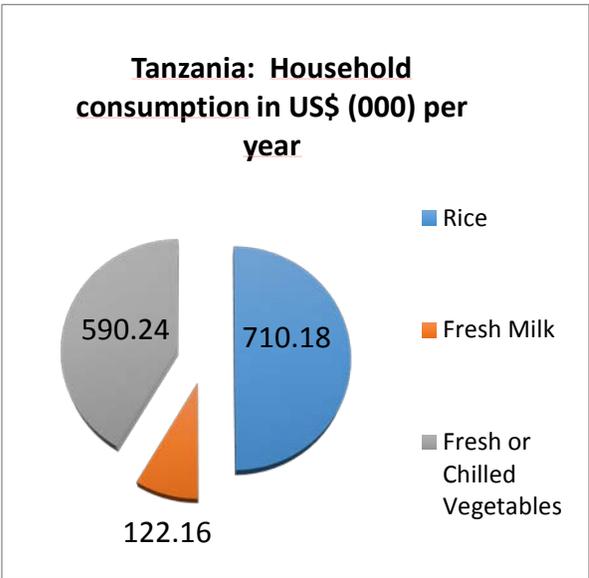
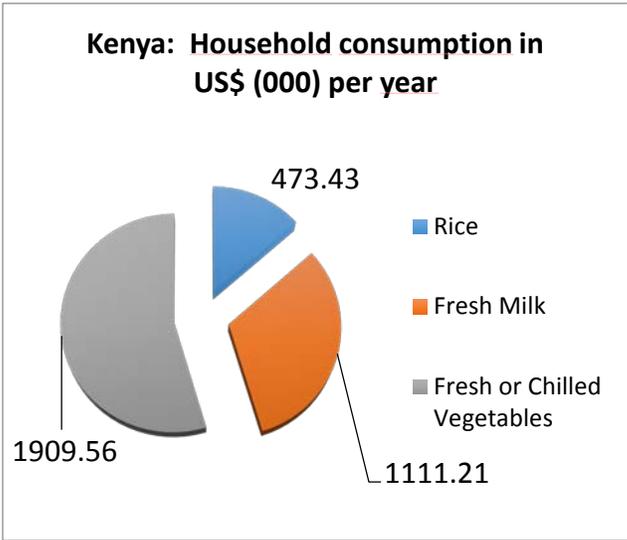
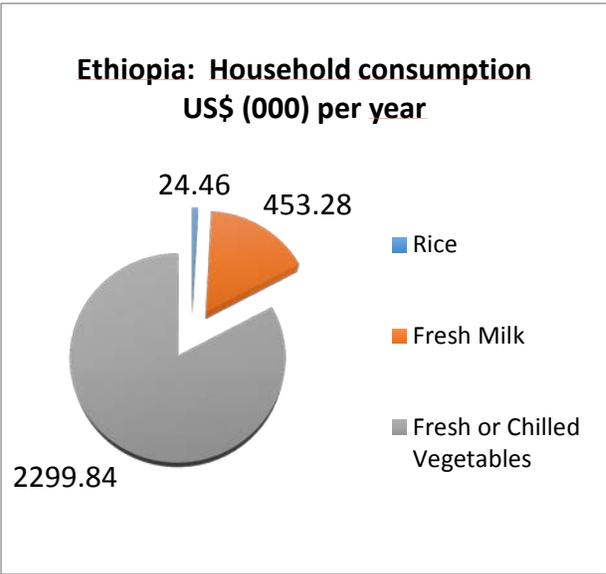


Figure 1: Consumption of Meat and Milk Products in SSA 2006-2050

**Shifting Diets: Household consumption patterns in Africa**



**Second, what are the complexities and risks that arise from those shifts?**

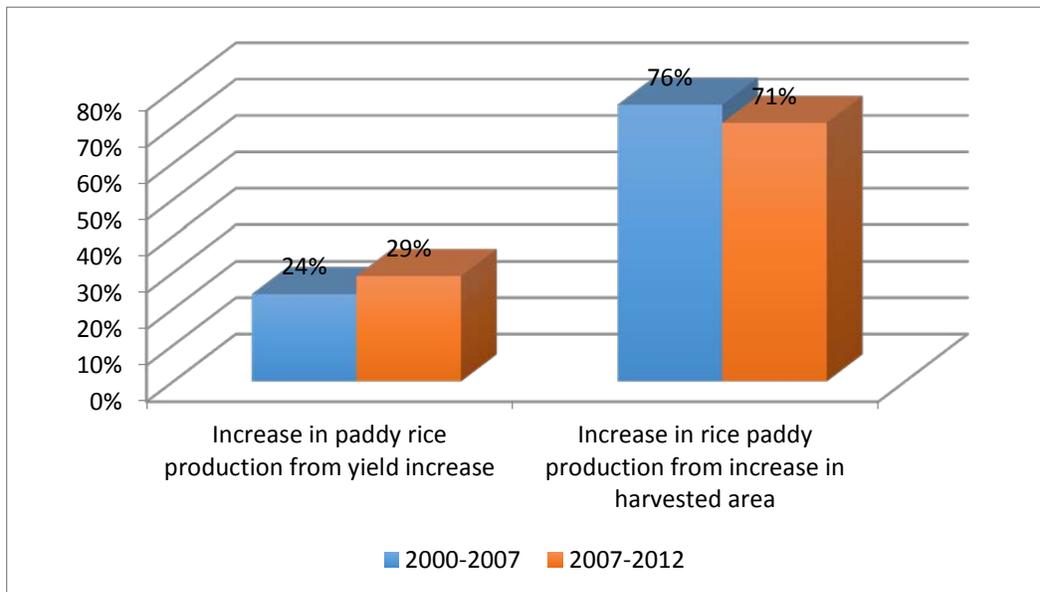
Agriculture has a heavy environmental footprint—it contributes nearly 25% of global greenhouse gas emissions, uses 37% of landmass, and accounts for 70% of all freshwater withdrawn from rivers, lakes and aquifers

Africa faces a paradox. It has abundant land for agriculture but has low productivity—at the same time it has high unemployment and is subjected to famine risks

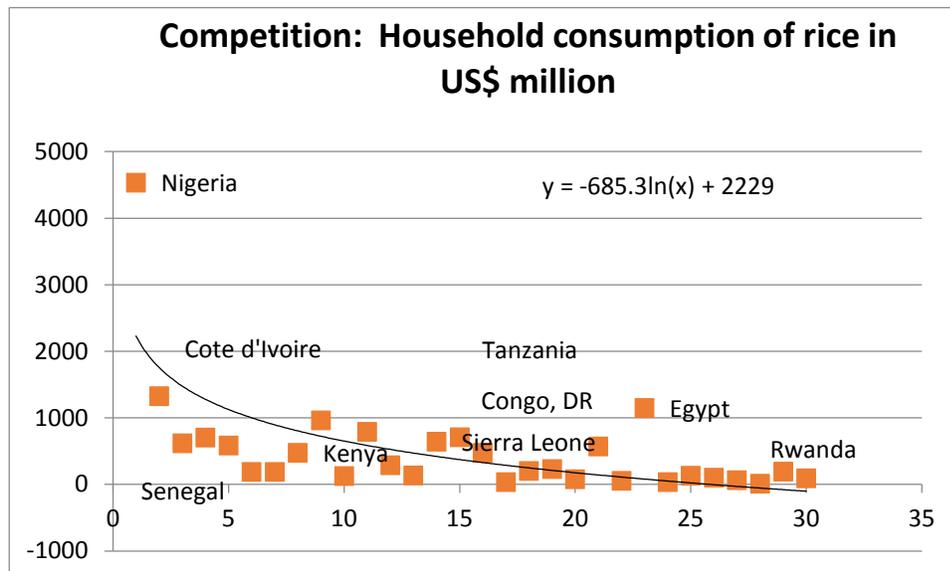
Production Gap: We need to produce 60% more food calories by 2050 to meet the growing population and the changing patterns of diet

**Third, what is the role of the private sector in resolving these challenges?**

The private sector contributes to increasing the yields rather than the landmass under cultivation: for example, there is a visible jump in the average rice yields in Sub-Saharan Africa after the food crisis, fueled largely by the entry of new players in the growing of rice and the use of science to generate better seeds and plants.



Introduction of competition in the import markets for rice: Example—20 commercial firms compete to



bring rice into Senegal and thereby reduce the cost of rice to the consumer. Senegal, being below the line in the chart below indicates it has lower prices to consumers than other countries with less competition in the import markets such as Nigeria and Cote d'Ivoire. There is also a need to seek solutions to the high food import bills.

Nigeria successfully did this by substitution of cassava flour for rice and other cereals. Mozambique has a successful use of cassava for beer instead of corn and other cereals, leaving such cereals in the market for food.

Country	Global Rank in Rice Imports	Household consumption of rice in US\$ million
Nigeria	2	4,534.01
Cote d'Ivoire	9	1,324.19
Senegal	10	619.40
South Africa	11	706.11
Ghana	17	582.72
Cameroon	19	187.59
Mozambique	21	189.91
Kenya	28	473.43
Guinea	31	964.39
Benin	33	127.70
Madagascar	38	790.39
Liberia	39	288.15
Burkina Faso	43	135.30
Sierra Leone	46	642.35
Tanzania	48	710.18
Congo, DR	57	473.81
Gambia	59	35.12
Uganda	62	203.76
Mauritania	64	232.94
Togo	66	78.85
Mali	69	569.11
Mauritius	77	56.30
Egypt	86	1150.61
Djibouti	100	36.41
Morocco	105	128.95
Malawi	107	101.47
Rwanda	111	64.34
Swaziland	115	10.47
Chad	116	193.89
Zambia	118	90.56

Source: Data on rice import rankings from [www.riceauthority.com](http://www.riceauthority.com) and data on household consumption of rice from World Bank Household Surveys.

Use of efficient out grower farming models and management techniques: Example –Olam in Nigeria combined the scale and quality assurance of a central commercial farm with an outgrower program that engages small farmers. The model has the potential to go to scale and lead to rice production self-sufficiency. Olam’s investment is in line with the Government’s Agricultural Transformation Agenda to produce rice for the domestic market thereby boosting self-sufficiency.



Using science to introduce new seed varieties that are less thirsty and have higher yields Example: water and nutrient efficient cocoa tree in Cote d’Ivoire from a genome mapping partnership between Mars, USDA and IBM

### ***Fourth, what is the role of policymakers in the face of complexities in agriculture?***

Policy makers need to pay attention to a number of critical areas in agriculture:

- (1) Role of aging women in agriculture and the need for solutions that support agricultural transformation in these contexts, including attracting youth to agriculture through ICT (Kenya, Rwanda);
- (2) Access to finance to transform into agro-processing and agri-business, including unique solutions such as leasing arrangements for equipment (Ghana), support to SMEs (Uganda), and warehousing and transport finance arrangements (Ethiopia, Tanzania) and supporting investments in the sector including from private equity;
- (3) Supporting investment in R&D and enabling scientific research to increase yields and secure food production—the example of Arusha Tanzania of the Nelson Mandela African Institute of Science and Technology (NM-AIST) which is leading in the research on life sciences and allowing research for application in practice, which enjoyed support at Presidential level for its founding and growth and the example of water efficient plants such as cocoa with Mars/USAID in West Africa;
- (4) Spreading good models such as the use of out-grower models that work efficiently (Nigeria);
- (5) Expanding opportunities to increase the sophistication of agriculture and its transformation through support to obtain machinery and equipment (Ghana); getting fertilizers and irrigation (Olam in West Africa); and processing of perishable foods (Orange Flesh Sweet Potato in Rwanda).

### ***Finally, what is the role of policy in face of challenges in nutrition?***

Areas of importance in nutrition include:

- (1) Addressing the nutrition needs of the young and the elderly—as Africa faces a double hump with a youth bulge and a fast growing aging population;
- (2) Finding solutions for the nutrition needs of the undernourished and the malnourished especially in light of the growing burden of non-communicable diseases that are lifestyle driven;
- (3) Seeking effective models for securing food supplies—competition in import markets to bring prices down as in Senegal for rice; substitution for cereal demand (cassava for beer in Mozambique and bread in Nigeria); effective warehousing and storage solutions (Ethiopia); and expanding the productivity and land under production for food crops by attracting private investments (Tanzania SAGCOT);
- (4) Solving the infrastructure problems that prevent food markets from functioning (example Bolloré in Guinea and the infrastructure corridor linking agricultural zones to cities).