

Friday@Noon on Agriculture in Africa - 2018

by Johan Burger

This paper addresses events and trends in the agriculture sector in Africa for 2018. It is based on the media articles addressed in the Friday@Noon weekly newsletters of the NTU-SBF Centre for African Studies in Singapore. These are by no means meant to constitute an exhaustive list of developments.

General

Agriculture in Africa has been identified as a sector with the capacity to stimulate economic growth on the continent. What is necessary, is the industrialization of the sector, with a strong focus on improving the inputs, e.g. better quality seeds, fertiliser, irrigation and modern farming techniques. Transforming the sector into a lucrative one, is an important step to convince various stakeholders to see farming as a good business opportunity. The industrialisation of the sector will help the farmers deal with the imperatives of the modern world of agriculture, a necessity to help Africa increase its productivity and reduce imports.

According to PwC, Africa's agribusiness sector is confident about its growth prospects in the short to medium term despite widespread economic and political uncertainty. It is expected that revenue growth in the next 12 months will be between 6% and 10%, with many expecting an optimistic 20%+ growth rate in the short to medium term. The main reason for these growth expectations is better penetration of existing markets in Africa. CEOs are looking for diversification within their current commodity value chain before moving into new commodities. CEOs of agribusinesses are positive towards expanding into the rest of Africa, with 40% indicating that they would pursue such opportunities. Angola, Botswana, Ethiopia, Malawi and Namibia were cited as the top five destinations for expansion. Agribusiness owners must overcome a number of challenges, such as inefficient and bureaucratic governments, corruption, crime, theft, inadequate infrastructure and political instability.

As it is, Africa's agricultural sector is dominated by 250 million small family farmers, who cultivate small areas with poor farming techniques. However, they produce 80% of the food consumed in Africa. They have limited access to inputs, financial services or technology and mainly practice subsistence farming because of their difficulties in accessing the market. A major challenge for these farmers is the lack of access to information, best agricultural practices, inputs, mechanization, market opportunities and financial services.

Some commentators have called upon the private sector to increase their involvement. The integration of the sector into regional and global value chains is also seen as a prerequisite for success for the various stakeholders. When farmers are integrated into global value chains, both the producers and the market benefit. Governments need to create the requisite business-enabling policy frameworks and support the development of the sector through various incentives.

Feeding the people of Africa is another High 5 Priority of the AfDB. Africa is a net importer of food annually to the tune of US\$41 billion, a figure which is set to grow to US\$110 billion annually by 2025 if nothing changes. Africa has the potential to feed the world, and it seems that they cannot feed themselves. Agriculture is seen as very important in poverty eradication in Africa. We have the negative situation that many youths are not prepared to struggle with subsistence farming like their parents, and then flock to the cities in the often-mistaken belief there will be jobs available for them. This uncontrolled urbanisation process creates more problems, that need more solutions and resources, which are mostly lacking. Serious thought therefore needs to go into developing

solutions for the problems prevalent in the agriculture sector of Africa. That only 17 countries of the 43 Member States are on track towards achieving the commitments by 2025, is an indictment against the governments of these other 26 countries. It is a matter of political will!

From a policy perspective, we are seeing governments encouraging indigenous business people to shift from importing goods to investing in agricultural production, both for local consumption and exports, to reduce pressure on their economies. Some, such as Uganda, are developing the capacity to help local investors get involved in large scale agricultural production. Many local business people have been reluctant to join agri-business due to the poor infrastructure and high cost of power.

We have also seen initiatives to support the smallholder farmers. One such an initiative is the Alliance for a Green Revolution in Africa (Agra), which aims to support 3.5 million small scale farmers to sustainably transform their mode of farming to be commercially viable and profitable. To ensure farmers benefit, all Agra sponsors have signed contracts that will see them have a single coordinated point of contract to empower the farmers. They aim to increase the farmers' ability to invest in sustainable systems that will lift them from poverty.

A matter of concern is the move of the youth away from farms and rural areas into the cities. The average age of the African farmer is ~63 years old. The youth are not prepared to struggle with a subsistence way of life. Many of them are sitting in cities, unemployed and with no job prospects. As such they create a security challenge. However, we have also seen tech-savvy Kenyan youths are not only turning to farming, they are also bringing their digital skills with them to rural areas. They are driven by poor job prospects and low pay in cities. Kenya has the highest rate of youth unemployment in East Africa, with nearly 20% not finding jobs. They are very good at using mobile apps that tell them when to plant or what fertilisers to use. Some join WhatsApp groups to learn about issues like growing conditions, fertilisers, and market conditions. They also use their mobiles to keep a record of costs, fertilisers and profit, and to market their produce on WhatsApp groups. However, more investment is needed to make farming attractive to a wider range of young people. Many youths still see returning home as a failure and farming as a lowly affair. Whether the above situation can be seen as a trend reversal, still remains to be seen. Supporting this move from city to farm reduces the pressure on amenities and services in the cities, provides jobs to the youth in the rural areas, and hopefully also increases the productivity of agriculture.

Technology in Agriculture

We have also seen the development of various models, tapping into crowdsourcing and social media, to link up investors, farmers and the markets. These include FarmCrowdy in Nigeria and FarmDrive in Kenya. FarmCrowdy connects investors with farmers and ensures there is a market. All 3 of the stakeholders, i.e. investor, farmer and FarmCrowdy, share in the returns. FarmDrive gathers information of the smallholder farmers in a format that is acceptable to the banks in Kenya, utilising a switchboard model by connecting suppliers with clients. This is typical of the original Charles Schwab model. A major challenge of the banks in Africa who deal with the smallholder farmers is the lack of data/information on the farmers.

Another technology driven application, is Wefarm, a farmer-to-farmer digital network currently in Kenya and Uganda. Wefarm enables small-scale farmers to connect with one another to solve problems, share ideas, and spread innovation. Through Wefarm, farmers can ask questions on anything related to agriculture. Wefarm uses machine learning and the broad farming community to source the very best content and knowledge from a network of over 660,000 farmers, even via SMS. Wefarm's data models will be able to track and predict key issues, such as disease, ripening periods, shortages, drought, soil conditions, farm characteristics and many other vital supply chain

issues. With this data, businesses can improve supply chain management and security, evaluate key trends and challenges, and increase sustainability and transparency.

Technology is changing the face of agriculture in some sub-Saharan African countries. Nigerian farmers, for example, have been advised to embrace the use of technology for their farming and livestock activities, to maximise their agricultural produce. Technology will reduce the number of farm workers, while methodology will maximise productivity by reducing the amount of land used for agriculture etc. Nigerian businessmen were invited to invest heavily in the agricultural sector as the agribusiness has more potential than oil and gas. Kenya and many African countries have left Nigeria behind in the area of agriculture; while Kenya has 1,078 greenhouses, Nigeria only has about 300 greenhouses, of which only 2 are operational.

In addition to the platforms mentioned above, other such platforms include eFarmers Nigeria, Hallo Tractor, Alosfarm, Probita Farms, Zowasel and Grow Crops Online. However, Africa's agriculture technology industry remains underdeveloped with huge potential. By focusing on the various players upstream and downstream, suppliers and buyers, a lot of value can be unlocked by tapping into the utilities of modern technology. New technology and data-driven farming will change the face of agriculture. It will strengthen partnerships across crops and countries, establishing long-term, sustainable and responsible supply chains that benefit smallholder farmers.

Crops rising in prominence

A few crops are becoming more prominent. While there are the usual examples such as cocoa, cashew nuts, rubber, palm oil, wheat and maize, to name but a few, there are a few others that are gaining in visibility. Cassava is one of them and has become a much-talked about product in Africa. Nigeria is the largest producer of cassava in the world, with Ghana, the DRC and Angola making up the other African countries in the Top 10 producers in the world. Tanzania has also embarked upon cassava production in a major way, with agreements with China to encourage production in this country. We now find Mozambique as another country taking the production of cassava seriously. Mozambique's Impala beer is made from cassava. Mozambique is among the key players at the forefront of the growing buzz around cassava, having found a way to farm and process the plant on a large scale. This product lends itself to many uses. In addition to converting it into beer, flour, syrup and ethanol biofuel, it is also used for developing starch. Given that it is indigenous to Africa, and easy to produce, as well as being a substitute for wheat that frequently needs to be imported at high cost, the production of cassava and its conversion into an increasing number of uses, should be actively promoted. It has the additional benefit of empowering smallholder farmers and creating much-needed jobs. It is also gluten-free.

Floriculture is another such a crop. We have seen Kenya, Ethiopia and Rwanda grow and develop this subsector. While the Netherlands is the normal target market, the USA and China have also been identified as markets with great potential. The sector still faces many challenges that have affected its growth, including logistics, access to chemicals and fertilisers. Kenya is the largest contributor to the Dutch flower market (69% of all the Kenyan flower exports go through Dutch auctions), flying flowers into the Netherlands on a daily basis. Kenya is also the largest supplier to the EU, representing 31% of their imports. Another country that has jumped on the flower wagon is Ethiopia. This sector is becoming an important employer and foreign exchange earner for African countries. The countries involved would do well to support their flower industries in matters such as logistics (transport). This sector is a testament to the level of entrepreneurship of the East African businessmen and women.

The expansion of Kenya's flower markets to China is a delightful development. Growing this market in a meaningful way can make up for the loss of a meaningful expansion of its output to

the USA market. Kenya's flower sector already has a strong brand equity. The jobs and foreign earnings generated by the sector is not to be sneezed at. Should the market in China grow meaningfully, Kenya's flower growers might not need the USA. Having said that, developing new markets is always a good strategy.

Agriculture developments in East Africa

Rwanda achieved the highest score on Agricultural Transformation in Africa and emerged as the 2017 Best Performing Country in implementing the 7 commitments of the June 2014 Malabo Declaration. Rwanda is followed by Ethiopia. Out of the 43 Member States that reported progress in implementing the Malabo declaration, only 17 are reported to be on track toward achieving the commitments by 2025. Rwanda's areas of improvement include agriculture financing, policy, gender, foreign investment, crop irrigation, and fighting malnutrition.

It has been stated that involving the youth in agriculture is an urgent imperative. Some of the youth in Rwanda have come up with new mental models as far as youth participation is concerned. These include that agriculture needs more role models. African agriculture also needs a make-over to shed its old-fashioned image of hard labour with a hoe. The whole agriculture value chain should be targeted as well. Stepping up the use of mechanised equipment and new technology is another key way to attract young people – and will also improve productivity. Mechanisation would also open up a lot of business opportunities for young people. Modernising agriculture could help turn it from seasonal to year-round work. More political leadership is needed at the top so that farmers do not feel they are facing these challenges alone.

Most recently, it seems that external entities are increasing their exposure to African agriculture. The EU has asked for proposals to be funded through a €10 million fund to unlock the potential of Rwanda's horticultural and coffee value chains to ensure the supply of safe products to local, regional and international markets. Of the €10 million, €4.68 million is for horticultural high-value chains, SME- and agribusiness development, while €3 million is for enhancing coffee value chain development. Another €2.3 million is being invested in building the laboratory capacities of the National Agriculture Export Board for compliance with regional and international markets standards. This will support the Government's efforts to increase coffee production and exports, which is expected to increase to 24,500 tons of coffee in 2018, from the 23,000 tons of 2017. The support must be seen in the context of the EU's overall support to Rwanda's agriculture sector through a financing agreement of €204 million. The EU's purpose is to support the production of agriculture and increase employment opportunities in Rwanda's rural areas, in particular for the youth and women.

In South Sudan, we saw the Turkish Cooperation and Coordination Agency (TIKA) donating 30 tons of seeds and agricultural equipment to farmers in South Sudan. It provided 500 farmers in the capital Juba and its surroundings with peanut, maize, sorghum, tomato, and okra seeds along with several types of agricultural tools. Despite its rich soil, South Sudan has fallen short of fulfilling its agricultural potential. While 70% of total arable crops are estimated to be suitable for agriculture, most farmers work on small fields, but sometimes have trouble getting seeds. As is the case with various countries in Africa, South Sudan has significant agriculture potential, and is not tapping into this potential in any significant manner. What is interesting as well, is seeing Turkey expanding its presence in Africa by supporting South Sudan's agricultural sector.

Tanzania is another country that presents various business opportunities in the agriculture sector. Coffee, maize, sugarcane and rice farming will be highly lucrative in the next few years. Reports state that the future demand for the four crops will be relatively high in both the domestic and export markets. Rising income levels will increase rice consumption compared with other basic staples such as maize and cassava. Tanzanian cassava producers also concluded a deal with

China to produce and export cassava to China Nigeria similarly presents a number of business opportunities in the agriculture sector in Nigeria, such as rice, tomatoes, cassava, eggs and poultry, cashew and groundnuts, and palm oil. In addition to meeting local demand (and creating import substitution with all its benefits), there is the opportunity to produce enough to export, with all its benefits of additional revenue, employment opportunities, general economic growth, etc.

A development that created cause for concern, is that Tanzania's cashew nut traders are now staring at huge losses after the government confiscated the produce of those who failed to prove that they are farmers. The government launched the verification exercise to rid the sector of middlemen who have dominated the cashew nut trade for years. Cooperatives have warned that they would be left with huge debts after financing farmers to prepare the farms and purchase inputs following the government decision to pay farmers directly for the produce. Most of the cashews bought by the government had already been sold to traders at lower prices than the Tanzania Agricultural Bank's price of US\$1.40 per kilogramme. Some cooperatives and corporates advance smallholder farmers with working capital for the year, an advance that is paid back after the harvest. When the cooperatives and corporations sell off the harvest, they then pay the smallholder farmer the difference between the advance and the revenue generated from the sale of the harvest. When the produce is therefore confiscated, the cooperative and corporation lose their advances. One now wonders what will happen next time around. If the cooperatives and corporations do not carry on with their financing activities of the past, how will the smallholder farmer finance his/her working capital requirements? Typically, the banks are not queueing to finance these small farmers. With Tanzania being one of the largest cashew producers in Africa, with the prescribed price of the government, as well as the reduced supply due to the Tanzanian government buying up the stock, cashew prices have jumped 10% (according to Reuters).

The pressure is on in Uganda to get more youth and women involved in the coffee value chain, starting with farming by using smarter agronomy practices, as the country looks to increase production to an ambitious 20 million bags by 2025. The Ugandan government hopes increased volumes will help address the double problem of much needed forex and job creation. Uganda, as do many other countries, however, faces many challenges. An ageing workforce on the farms is a problem (average age of a coffee farmer is 60 years). Youth exodus to urban areas has created a shortage of labour because the old people do not have the energy to farm. Most young people in the coffee sector prefer the tail end of the value chain, doing jobs like marketing, branding and brewing. Africa's youth must get involved in the whole value chain; not just in the "sexy" parts such as marketing, but also in the "get-your-hands-dirty" parts as well! That is why the president of the AfDB has stated that Africa must get the youth to see the agri-sector as a lucrative business-oriented sector, and not just as a lifestyle environment.

President Museveni recently reassured Ugandans of government's commitment to promote irrigation and ensure food security in the country. In this financial year, government would roll out irrigation projects in at least 14 districts, which will enhance their efforts in agriculture. Once farmers embrace irrigation, they will engage in agricultural production all year-round to boost food production and mitigate climate change challenges that have been manifested in long droughts. He reiterated his call to farmers to abandon subsistence farming and adopt commercial agriculture. He was disappointed that the agriculture sector is growing at a slow pace of 3.2% compared to 7.9% of ICT, Services (7.3%) and industry (6.2%). Agriculture is described as the backbone of Uganda's economy, employing at least 85% of the population, but investment in the sector is still low, which has kept production down.

Uganda recently rolled out a mega project aimed at boosting agricultural production. The Agriculture Cluster Development Project (ACDP) intends to boost the commercial production of 5 prioritised crops in 42 districts of Uganda. The crops are maize, beans, cassava, rice, and coffee. They are to be grown in districts known to have large potential for the production of the particular

crops. The objective is to raise on-farm productivity, production, and marketable volumes of selected agricultural commodities in specified geographical clusters.

Agriculture in West Africa

In West Africa, we saw the development of the System for Rice Intensification (SRI), which has significant potential to close the rice production gap in West Africa and put the region on the path to rice self-sufficiency. Some state that if all rice farmers in West Africa had used SRI in 2017, based on project participants results, rice self-sufficiency would already have been achieved with a 5% surplus. By adopting the SRI method of planting rice, farmers' yields increased overall by 56% for irrigated rice and 86% for lowland rainfed rice. SRI is a climate-smart and agro-ecological method of increasing rice production that focuses on the management of plants, soil, water and nutrients. West Africa only produced 54% of rice consumed in 2017 and spent \$4.16 billion in foreign exchange on rice imports. Achieving rice self-sufficiency by 2025 is a goal of the Regional Rice Offensive of ECOWAS. The irony is that West Africa could have been exporting rice, instead of wasting valuable foreign exchange on "unnecessary" imports. At least, with SRI, West Africa has the prospect of supplying in its own demand with some to spare for exports. This approach should not only be adopted for the rice industry, but every sub-sector should develop a similar initiative to become self-sufficient. Africa should not be importing food; it has the potential to feed the world.

In Ghana we have seen President Akufo-Addo reassuring Ghanaians that the government will not neglect agriculture as it is vital to the development of the economy. For him, Ghana needs to raise agriculture to a higher plane to improve on the quality of life of its people. The diversification of agriculture is part of the vision to develop Ghanaian agriculture and the Ghanaian economy. This is a general point of view, held by various prominent stakeholders and commentators. His plan seeks to improve research methods, introduce appropriate production and processing technologies, as well as develop marketing strategies along the value chain. He urged industry players to capitalise on the opportunities in the value chain of the crop and make it beneficial to farmers. Amongst other examples, Ghana loses ~US\$12 billion annually to Burkina Faso (BF) through importing fresh tomatoes. This amounts to 90% of the tomatoes produced in BF, while the remaining 10% is consumed by BF itself and Cote d'Ivoire. The Burkinabe government had created the enabling environment by putting in place various incentives for the researchers and farmers. The Ghanaian tomato importers preferred to buy from BF because there had been a strong business link, collaboration and cooperation between the Burkinabe farmers and the importers. However, it appeared the required levels of cooperation and understanding between the Ghanaian farmers and the traders were absent. Fortunately, for Ghanaian producers, the application for establishing a tomato processing factory under the government's "One District, One Factory" policy has been approved.

In the cocoa sub-sector, Ghana and Ivory Coast produce about 60% of the world's cocoa, yet they mostly sell unprocessed beans. Their cocoa-export earnings are less than 10% of world chocolate sales. The power in the sub-sector lies with a small group of trading firms and chocolate-makers in rich countries. Ghana and Ivory Coast are trying to move up the value chain. Ghana is close to finalising a US\$600 million loan from the AfDB, some of which is expected to support cocoa processing. It is also seeking Chinese help to build a state-run processing plant. About 21% of the world's cocoa is ground in Africa, up from 15% a decade ago. Most of the processing in the region is done by the multinationals that were already grinding cocoa in Europe or elsewhere. In Ghana, nearly half of capacity is unused. Most of the value in chocolate comes from marketing and branding, and it is a big step up from grinding to chocolate-making. Consumers are mostly in Europe or North America, while transporting chocolate through tropical

climates is a logistical headache. Chocolate-producing firms in West Africa operate on a tiny scale.

The AfDB has been propagating the development of a chocolate producing industry in Africa, in order to capture more of the value in the total chocolate value chain (and create more jobs in the process). As is generally known, only about 4% of the total value captured in the industry currently comes back to the cocoa farmers in Africa. The article rightly points out that most of the consumers of chocolate are in Europe and North America. However, Africa's middle class is growing, and urbanising. This would make it easier to develop a chocolate consuming segment in Africa. The challenge remains the heat, and maintaining a cold chain is expensive. However, Cadbury's has developed chocolate that would not melt and would stay solid for up to 3 hours after being exposed to temperatures of 40C. Nestle can produce chocolate that they say can withstand heat of between 40 and 45C. There is therefore no technical reason why chocolate cannot be made in Africa for Africa.

In Nigeria, agriculture showed limited glimpses of recovery, but almost entirely through efforts of peasants and antiquated processes. The agricultural sector grew by 3.00% (year-on year) in real terms in the first quarter of 2018, a decrease by 0.38% points from the corresponding period of 2017 and also a decrease by 1.23% points from the preceding quarter. Agriculture is a critical success factor for Nigeria. Adding value to agriculture should be the policy priority of the government to make up for lost ground and realise its potential. Nigeria needs to increase the productivity of its agriculture operations, and then add value before exporting. It also needs to add value for local consumption. Importing food, as stated elsewhere in this newsletter, costs Africa US\$35 billion annually. This will grow to US\$110 billion by 2025, all else being equal. This is an expense Africa cannot afford. Nigerian agricultural producers and exporters have been advised to improve the quality, branding and packaging of their produce to explore the marketing opportunities in the Middle East.

Agriculture in Southern Africa

In Mozambique we saw Al Bustan Farms investing \$50 million in the production, processing and export of beef to foreign markets in the EU, the USA and Asia. The company will produce 10,000 head of cattle in the next 5 years. In addition to cattle breeding, the company is also committed to the production of corn, soybeans and alfalfa. In the context of corporate social responsibility, a drugstore will be built within the village and employ many workers as the venture is producing tangible financial results. At the same time, a meat processing plant, an agricultural technical school and the rehabilitation of the Chimuara-Mopeia road will be built, in addition to the rehabilitation of the Caia aerodrome in Sofala province. Agriculture must be industrialised and given a boost to encourage the diversification process in this country. Currently gas and coal are important revenue earners, but a fixation on these two sources could create a vulnerability for the government. Many Asian economies import beef, while Africa itself provides a sizeable market.

We have also seen Mozambican farmers being encouraged to grow coffee. Farmers are encouraged to cultivate bananas, pineapples and other crops amid coffee plantations, providing fertilizer for the coffee from falling foliage. The coffee project is supported by various international entities and a large number of countries

Some challenges curtail production in Africa's agriculture sector. One example is that only 14% of Zambia's 42 million hectares of land suitable for agriculture production is being utilized. According to the World Bank, Zambia has enormous agricultural growth potential. Less than 30% of the land potentially suitable for irrigation has been developed. Zambia also has sufficient water resources available to support rain-fed and irrigated agriculture. Combined, these natural endowments uniquely position Zambia to be the bread basket of the southern and central African

regions. Fortunately for the country, Zambia is leading an initiative that seeks to address the challenges of climate change. 'Super crops' have the potential to revolutionise agriculture in Africa. These new crops are having a significant impact on food production in a challenging environment. The UK Department for International Development will provide £55 million to support the work of the Africa Agriculture Development Company in countries that include Zambia. This will enable smallholder farmers to diversify their crops.

In the struggling economy of Zimbabwe, local farmers can benefit from the US\$90 billion global horticulture sector if they grow most of the crops in demand such as tomatoes and onions. Increasing horticultural production and adding value to most of the products, is central to generating more foreign currency. Agriculture contribution to exports was 50%, but this figure dropped to 15% in 2017, dominated by commodities and raw materials. Zimbabwe's horticulture sector is still in the US\$90 millions when others are in billions. The new government of President Mnangagwa has recently ordered an end to illegal land takeovers and has said the few white farmers left on the land can be given 99-year-long leases like their black counterparts. Agriculture is one of the 3 major sectors that can make a significant contribution to Zimbabwe's economy in the short-term, with the other two being mining and tourism.

A serious development that has received global attention, is that of land expropriation without compensation in South Africa. Its Joint Constitutional Review Committee on 15 November adopted a resolution that Section 25 of the Constitution be amended to allow expropriation of land without compensation. According to the chairman of African Rainbow Minerals, Patrice Motsepe, the government has failed in the area of land reform, leading to unhappiness, alienation and exclusion in the black community. This exclusion also had to do with the unemployment, poverty and marginalisation of the black population. There was also a legitimate need for meaningful, successful black involvement in the farming industry.

At the same time, Zulu King Goodwill Zwelithini wanted President Cyril Ramaphosa to agree to exclude territories that he controlled from the government land-reform drive. The ANC is targeting white-owned land for expropriation, while seeking to provide security of tenure to the 17 million people who reside on tribal lands controlled by traditional leaders. The Zulu king controls 2.8 million hectares through the Ingonyama Trust.

AgriSA, a body representing farmers in South Africa, met with senior ANC officials on 21 August 2018, and the following was promised by the ANC: No land grabs will be allowed; The protection of productive agricultural land will remain a priority; Optimising the use of fallow land in deep rural areas; Property rights will remain a key priority in agrarian development; Government is finalising an audit of state land for transfer to black farmers; and Initiating production on 4,000 farms currently in government possession to unlock commercial value and create farming opportunities.

In September, a senior ANC official said the land reforms would include issuing title deeds to small-scale farmers on tribal lands. This is in contrast to Ramaphosa's statements, who pledged to the king that he would not touch the land the king controls. In July, the king warned of conflict over the issue. Other traditional leaders also publicly told the ANC not to undermine their authority on the 13% of the country that they rule. However, several traditional leaders in KwaZulu-Natal are demanding that their land be moved from under the Ingonyama Trust. They said they would rather have their land free of control of the trust, which is "unaccountable."

It seems there are no clear policy guidelines and that the ANC government, including the president, is shooting off the hip. It also seems that there is no unity about the process nor even of the act of expropriation itself. The expropriation of agricultural land is therefore not a clear case of land being taken from white farmers to be given to aspiring black farmers. There are clearly more stakeholders than originally envisaged.

The lack of clarity at so many levels and the perceived pursuit of party-political objectives in the run up to the 2019 elections are creating a lot of uncertainty and a serious potential for conflict, not only between black and white, but also black on black. It is also scaring off potential foreign investors. The sooner the issue is laid to rest, the better off South Africa will be.

Concluding Remarks

The key for governments in Africa is to support the agriculture sector to exploit the global shift in consumer behaviour and consumer demand towards higher quality agricultural products. This can lift millions of farmers out of poverty, creating tremendous revenue generation potential and job growth. Many countries are focused on mineral resources and tend to forget the principles for inclusive growth. Tapping into the higher value products can not only lift millions of farmers out of poverty, but it can transform the nature of Africa's agriculture from a subsistence sector characterized by poverty to a lucrative sector. This has 2 benefits. Firstly, it can become an attractive sector for the youth of Africa. This is a major potential benefit as it is an outcome that has long been pursued. Secondly, it can boost the contribution of agriculture to the GDP of Africa's economies. There has been a mismatch between the size of the employment force in Africa's agriculture and its contribution to GDP. It can also contribute towards keeping greater numbers of the population in the rural areas, thereby lifting the pressure on urban areas, where governments are not geared to accommodate the high rate of urbanization. Another thought that comes to mind is the need for a sovereign wealth fund that can act as a buffer for bad times. Countries that have done this with great success, include Qatar and Singapore. Furthermore, Nigeria of a few years ago is an example of a country that used the short-term benefit of a relative strong economy to import food instead of cultivating its own agriculture. Although the government put in place subsidies to stimulate the cultivation of cassava, for instance, this was not implemented ruthlessly and did not bring about the sought-after results.

Political will has been identified as a game changer in agriculture. Rwanda, Ethiopia and Ghana are emerging as African models for pairing political will with government action to transform smallholder farms into businesses. To achieve this, governments must address market failures and governance challenges, and sustain political will over time. Failure to boost the sector's growth continues to expose Africa to threats of food insecurity. This is happening at a time when demand for food continues to grow strongly, and is projected to more than double by 2050. National diets are shifting away from food staples like grains to horticultural and livestock products, and processed and pre-cooked foods, all of which add value within the agri-food system.

The lack of political will to transform the agriculture sector is evident considering that only a few countries have implemented the AU's Comprehensive Africa Agriculture Development Programme (CAADP), which commits signatories to allocate 10% of annual budgets to the sector. In Africa, Ethiopia and Ghana have succeeded in driving the growth of the agricultural sector, having consistently exceeded the CAADP target of 6% annual growth for the past 25 years. Given the massive growth projections of Africa's population, as well as the urbanisation trend, the demand for food will keep on increasing. The average age of Africa's farmers is higher than 60 years old. These factors all stack up to create an unhealthy situation and governments must step up to deal with the challenges. A further concern is the level of rural poverty in Africa. African countries can learn from China's agriculture transformation programme, which has driven down rural poverty from 53% in 1981 to 8% in 2001. It is also important to transform Africa's agricultural model from a mainly subsistence model to a more commercial model. This has to be done in a way that will not increase unemployment, and actually entice the youth to take up opportunities in the agricultural sector.

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Links:

1. <http://www.itnewsafrika.com/2018/12/transforming-the-african-agribusiness-sector-with-tech/>
2. <https://www.thecitizen.co.tz/News/4-money-spinning-crops-farmers-should-invest-in/1840340-4274184-lxtg7v/index.html>
3. <https://www.monitor.co.ug/Business/Markets/Investors-told-venture-agribusiness/688606-4257586-ulai8uz/index.html>
4. <https://www.thecitizen.co.tz/News/Initiative-to-support-3-5-million-farmers-launched/1840340-4304370-qn51c3z/index.html>
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