



# Transformational Investment in Agri-food Systems and Youth Employment

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*Africa is beyond bemoaning the past for its problems. The task of undoing that past is ours, with the support of those willing to join us in a **continental renewal**. We have a new generation of leaders who know that we must take responsibility for our own destiny, that we will uplift ourselves only by our own efforts in partnership with those who wish us well.*

**-- Nelson Mandela**



# Seven Megatrends

- ❖ Trend #1: Demographics
- ❖ Trend #2: Global food & energy prices
- ❖ Trend #3: Rapid Changes in Land Distribution: Rise of the medium-scale farmer
- ❖ Trend #4: Land Degradation
- ❖ Trend #5: Income growth & distribution
- ❖ Trend #6: Climate Change
- ❖ Trend #7: Big data & Disruptive Technology



# Seven Megatrends

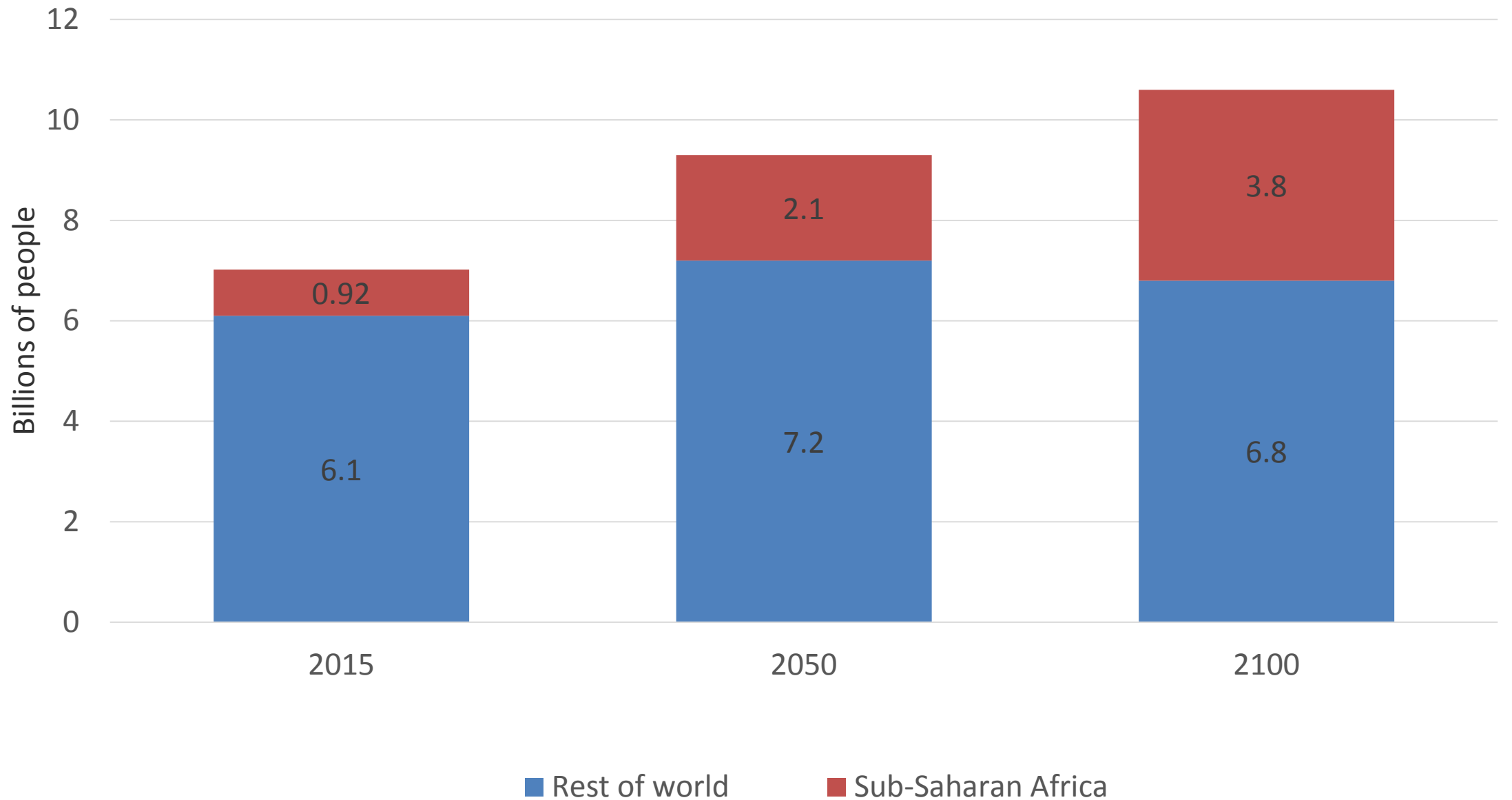
- ❖ Trend #1: Demographics
  - Rapid population growth
  - Youth bulge
- ❖ Trend #2: Global food & energy prices
- ❖ Trend #3: Rapid Changes in Land Distribution: Rise of the medium-scale farmer
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# Trend #1: Rapid Population Growth



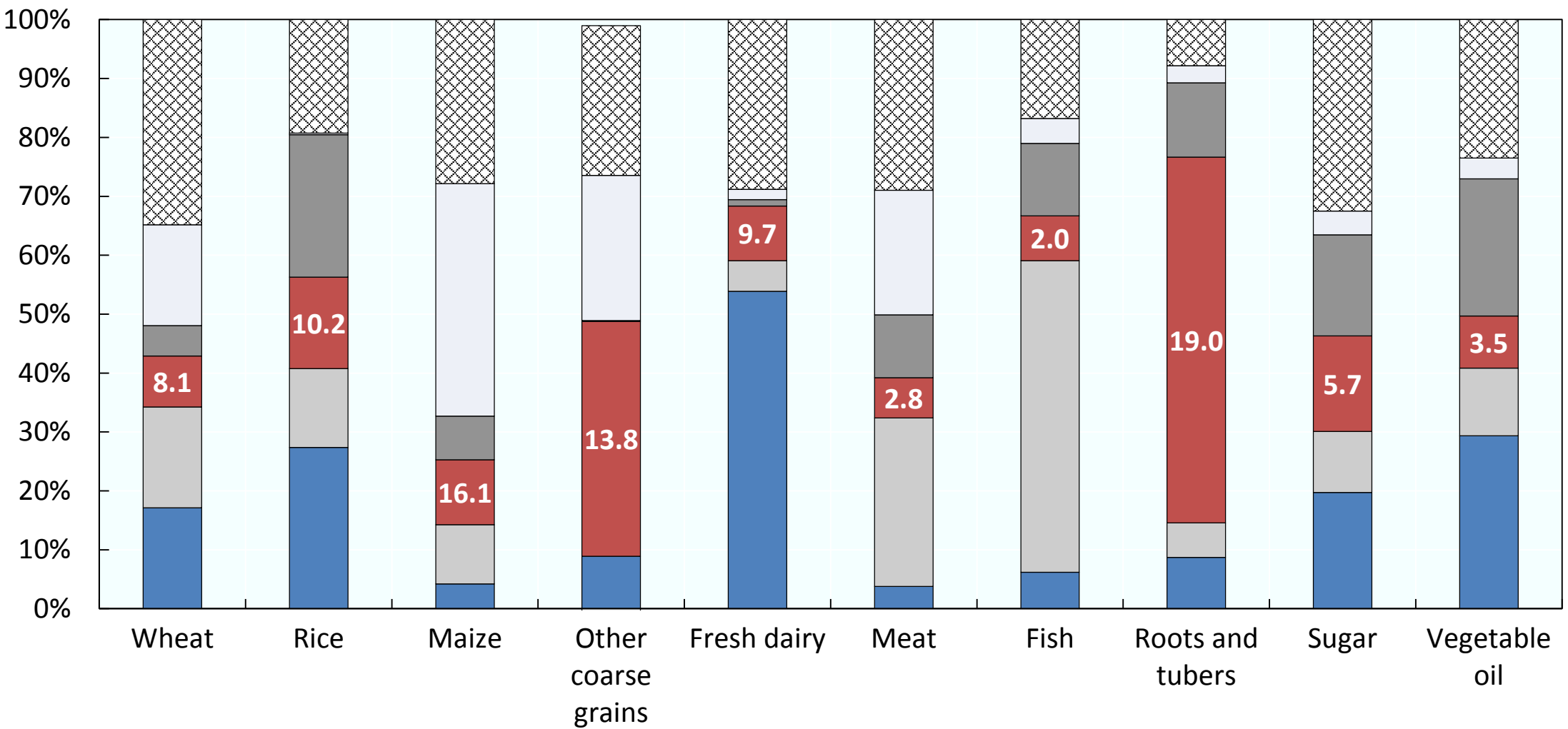
# SSA population growth projections



# Implication?

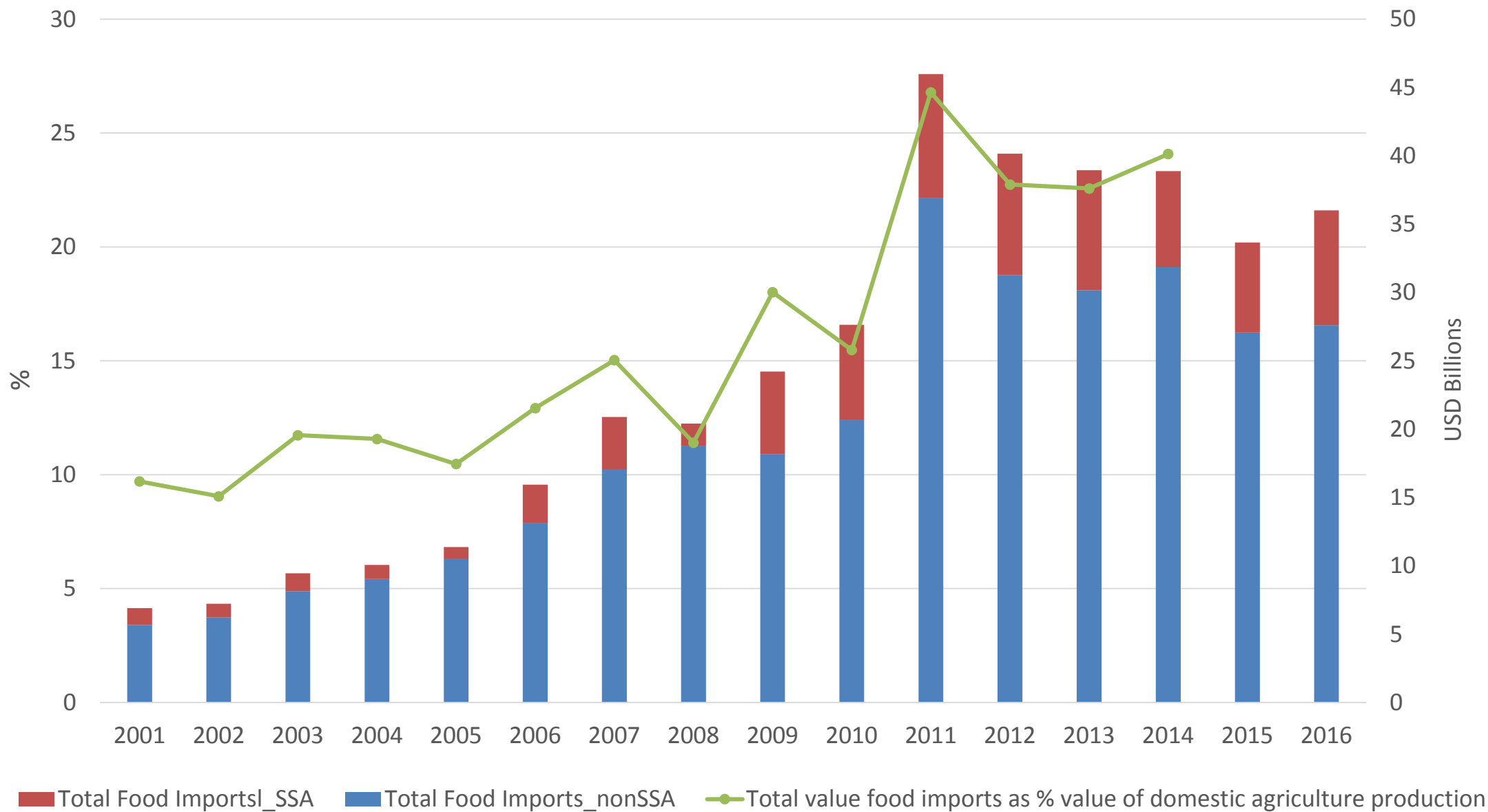


Rest of World
  OECD
  Southeast Asia
  Sub-Saharan Africa
  China
  India





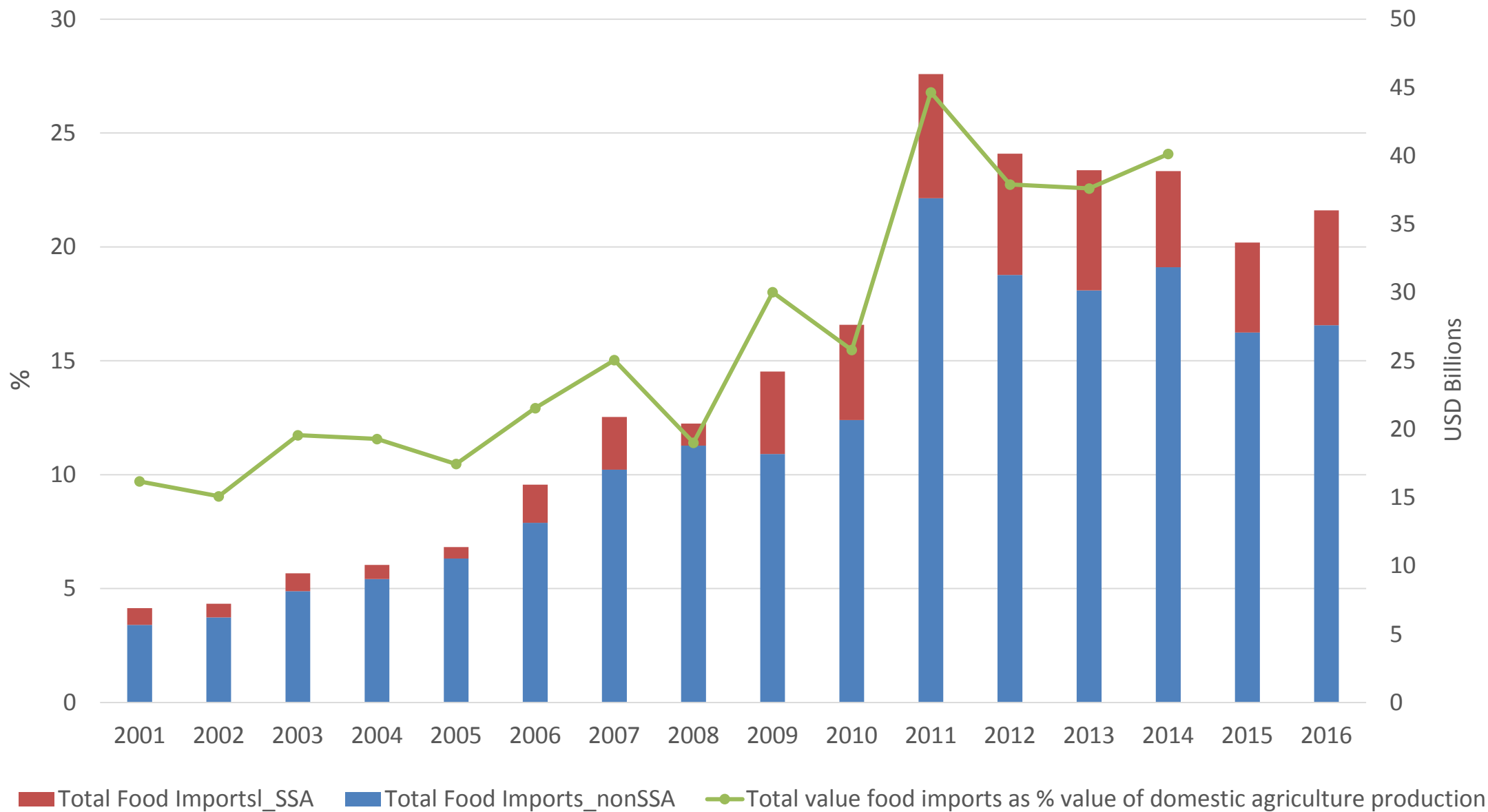
# SSA Total Food Imports from 7 to 38 billion USD (2001-2016)



# Can Africa Feed Itself?



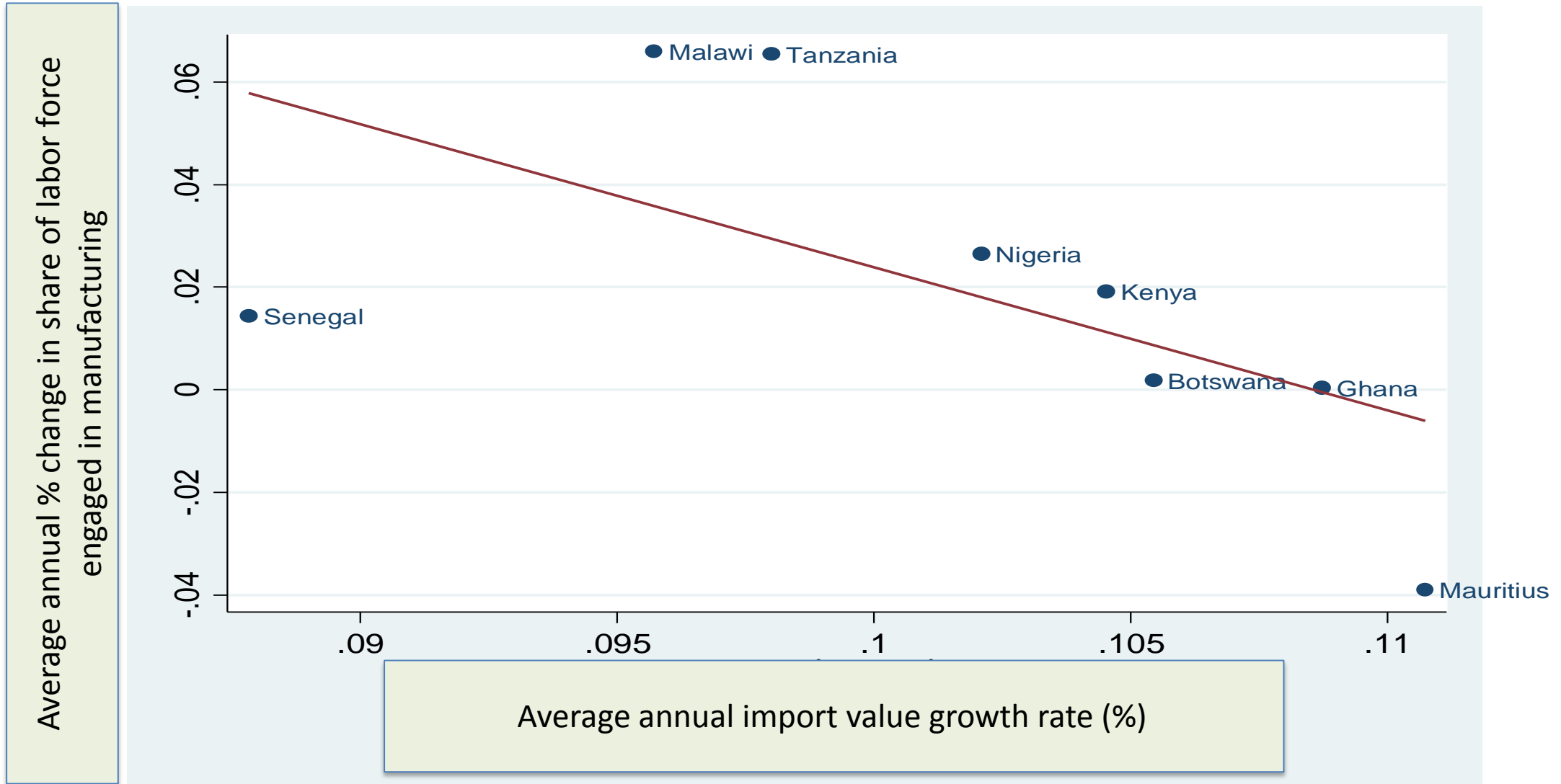
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# Is this cause for concern?



## Manufacturing employment shares declined more rapidly for food import reliant countries



# Off-farm Agri-food System jobs largely in commerce and less in agro-processing

Country	Survey years	Total # of jobs in millions	Farming		Off-farm within AFS				Non-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	2003/04	34.6	25.7	21.8	1.3	1.4	2.9	3.3	70.2	73.5
	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	2008/09	18.2	70.4	60.8	1.4	1.7	3.6	4.5	24.7	32.9
	2014/15	21.4	59.8	47.3	0.9	1.3	11.8	14.4	27.5	37.0
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					



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# Are we exporting our jobs?





**“When the solution is simple,  
God is answering”  
- Albert Einstein**



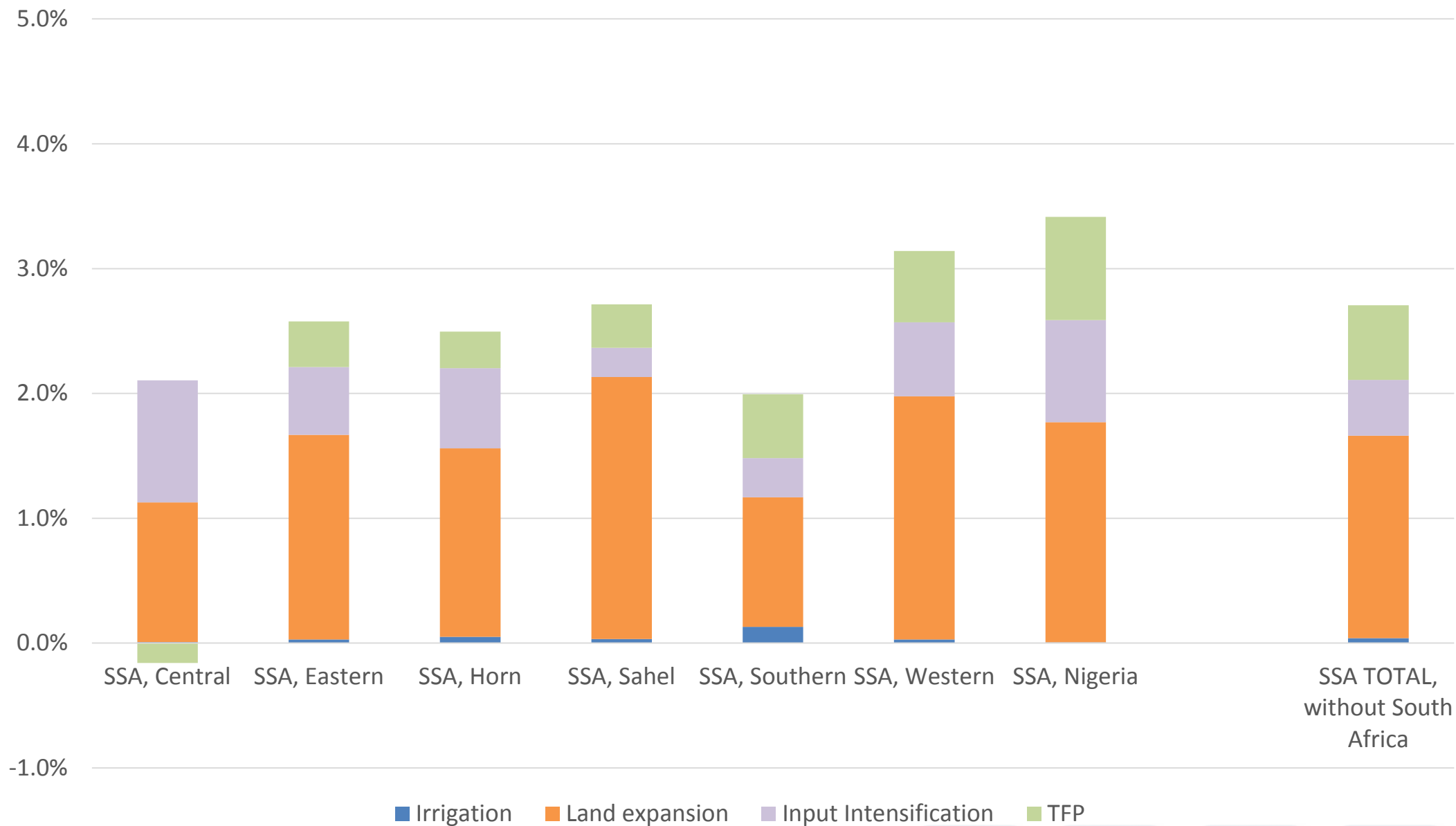
## Primary Agricultural Level:

**“Implement policies that promote broad-based agricultural growth”**

Growth driven by efficiency



# Agricultural Output Growth Decomposition: 1961 - 2013



## Primary Agricultural Level:

**“Implement policies that promote broad-based agricultural growth”**

Improved efficiency → innovation

Innovation → increase in public expenditure in R&D and extension services



# Strategies

## Agriculture budget allocation by categories (%)

		<i>R&amp;D</i>	<i>Extension &amp; Training</i>
Burkina Faso	2006	3.2%	9.2%
	2015	1.8%	6.3%
Burundi	2006	27.4%	1.9%
	2015	2.1%	11.0%
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## Agro-Processing Level:

**“Develop and implement industrial policy aimed at reducing costs, improving competitiveness and diversifying the economic base”**





- *Reducing the cost of doing business*
  - *Improvements in physical infrastructure (cold chain development)*
  - *Low-cost reliable energy*

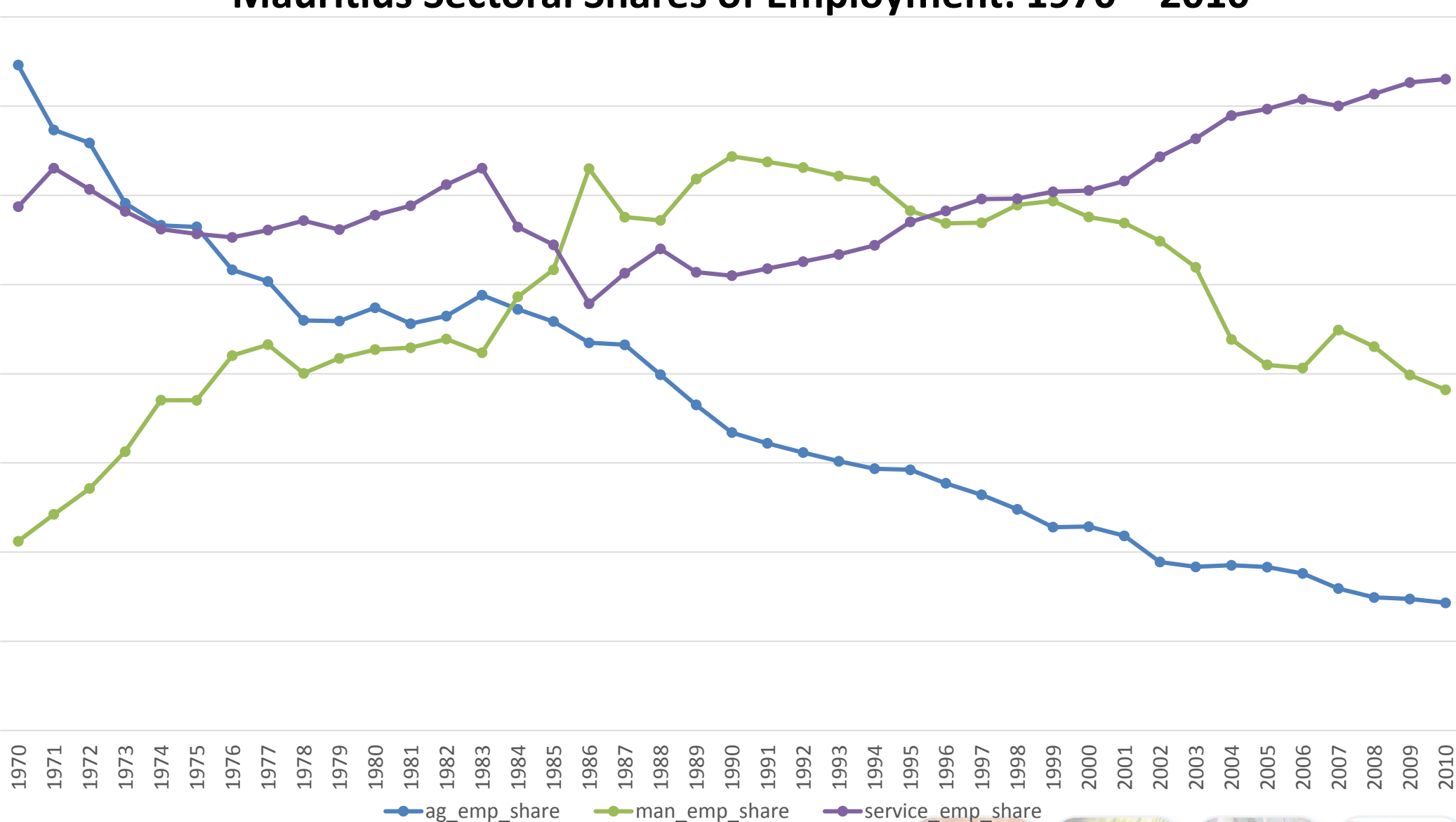


# 30,000 broilers (ZAR 1 million) lost in one night!

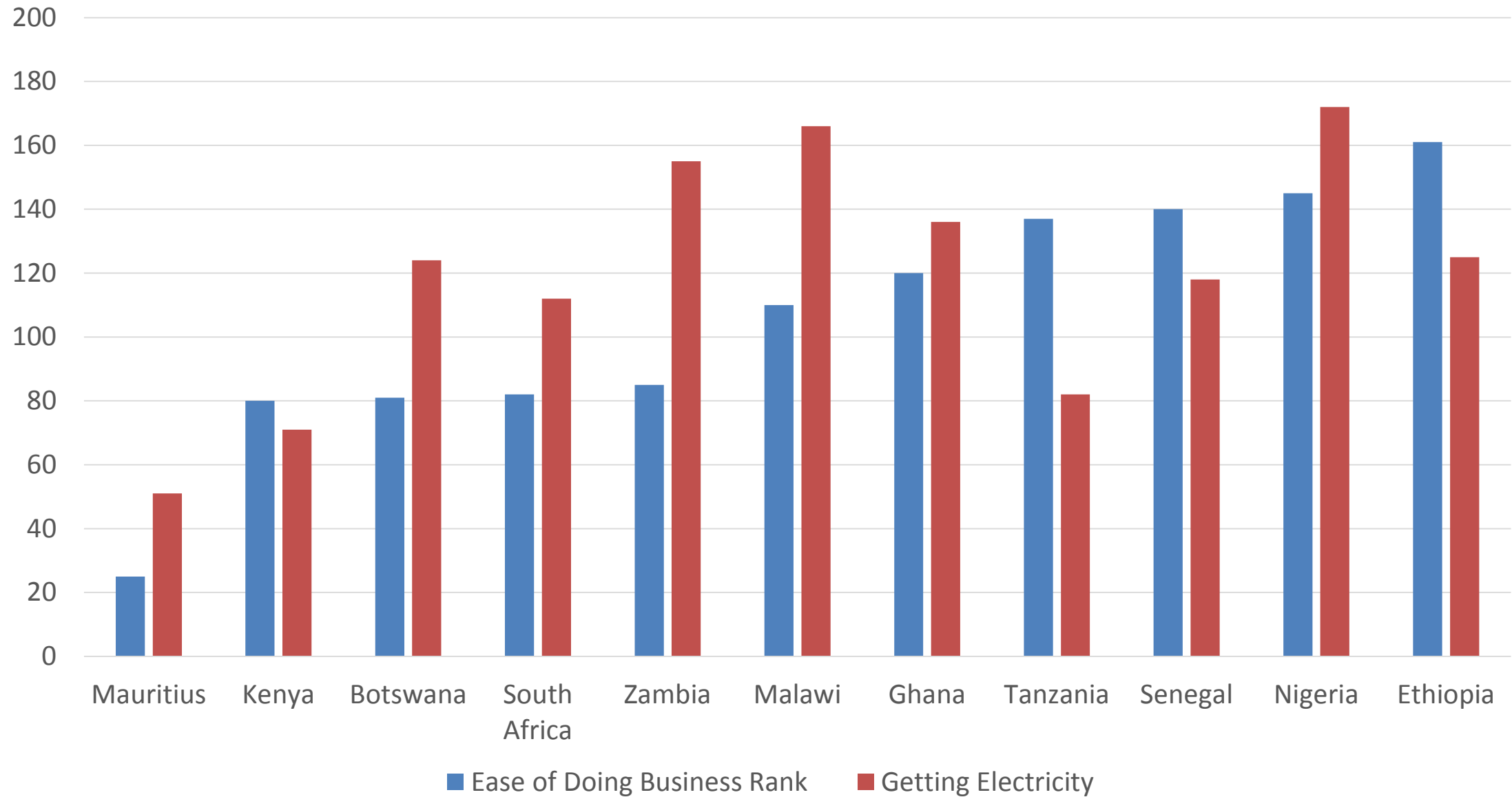


# Stylized Facts of Structural Transformation

## Mauritius Sectoral Shares of Employment: 1970 – 2010



# Ease of Doing Business Index: 2017



# We need to get it right



# Youth Bulge & Employment



# Thank You

