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# A Discourse on Food and Insecurity in Africa

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Agriculture remains an integral part of the African economy as well as the daily lives of the majority of Africans, accounting for just over sixty percent (60%) of jobs across the continent. The continent has sixty-five percent (65%) of the uncultivated arable land left in the world to feed 9 billion people by 2050<sup>1</sup>. It is estimated that agriculture is Africa's largest economic sector, representing fifteen percent (15%) of the continent's total GDP, or more than One Hundred Billion Dollars (\$100,000,000,000.00) annually. It is highly concentrated, with Egypt and Nigeria alone accounting for one-third of the total agricultural output and the top ten (10) countries generating seventy-five percent (75%) of the agricultural output.<sup>2</sup>

According to the World Bank national accounts data, and OECD National Accounts data files, Agriculture, forestry, and fishing, value added percentage of the GDP in Sub-Saharan Africa is 15.3% as at 2019.<sup>3</sup> This clearly shows that what we do with African agriculture today will determine the future of food in the world.

### Food Insecurity in Nigeria

Irrespective of the rich agricultural potential Africa has, Africa is experiencing severe food insecurity. Nigeria, for instance is the most populous country in Africa with a population of about 170 million as of 2012 and a projected population of 402 million in the year 2050 which will be making Nigeria the 4th most populous country on earth after India, China and the United States, is at the risk of starvation. The Food and Agriculture Organisation (FAO) in its October/November 2020 Cadre Harmonise Analysis report, a commentary on the food crisis and nutrition situation of the country, has warned that the food insecurity in the country is worsening, noting that million of Nigerians in 16 states<sup>4</sup> and the Federal Capital Territory (FCT) might be at risk of starvation. The report stated that more than 13.8 million Nigerians will need urgent attention between now and Aug. 2021 in Adamawa, Bauchi, Benue, Borno, Gombe, Jigawa, Kaduna, Kano, Katsina, Kebbi, Niger, Plateau, Sokoto, Taraba, Gombe, and Zamfara states – and the FCT.<sup>5</sup>

### Challenges of Food Security in Africa

Africa is a huge net food importer. Africa's annual food import bill is Thirty-Five Billion Dollars (\$35,000,000,000.00) and in the year 2018 alone, the food import bill was more than Forty-Seven Billion Dollars (\$47,000,000,000.00). This is estimated to rise to One Hundred and Ten Billion Dollars (\$110,000,000,000.00) by 2025. Importation weakens African economies, decimates its agriculture and exports jobs from the continent. Africa's annual food import bill of Thirty-Five Billion Dollars (\$35,000,000,000.00) is just about the same amount it needs to close its power deficit.

Despite its central role in the African economy, the agriculture sector represents only a quarter of African GDP, ranging from three percent (3%) of GDP in Botswana to almost fifty percent (50%) in Chad, the Central African Republic, and Sierra Leone, due to the low productivity of the sector. Since 1990, cereal yields have increased by one hundred and sixty-four (164%) in Brazil, eighty-one (81%) in Uruguay, sixty-nine percent (69%) in Chile, and by forty-three percent (43%) in Malaysia, while average African cereal yields grew by less than forty percent (40%). As a result, Africa's yields are only fifty-six percent (56%) of the international average and the private sector infrastructure beyond production — especially in upstream activities such as seed and fertilizer distribution, as well as downstream activities such as dry and cold storage and agro-processing — remains relatively underdeveloped.<sup>6</sup> The consequences of these are:

- Inability to meet local food demands
- Inability to export agricultural products at the international quality rate required for market success

### Drivers of Food Insecurity

Several factors drive hunger and food insecurity in Africa, and the most prominent factors among these are:

#### 1. Climate change

Climate change trends are an increasingly important driver for the need for transformation. Agriculture accounts for approximately fourteen percent (14%) of greenhouse gas emissions; this figure increases to twenty-five percent (25%) when forestry and other land use are included. Major drivers of this problem are deforestation, soil and nutrient management, and livestock emissions. Agriculture is the sector most susceptible to changes in climate patterns because of its dependence on the environment, thus, it is important to note that, although many nations made pledges to support developing countries in climate adaptation coming out of the Paris COP in 2015, most of the implications for agriculture will be indirect, through country-level strategies illustrated in Intended Nationally Determined Contributions (INDCs). One important challenge this presents is that there is no agreed upon way for measuring success and individual country commitments vary.

Africa is already disproportionately affected by the impacts of climate change because of its earlier-discussed dependence on the agricultural sector. African farmlands and rangelands are increasingly degraded, causing farmers to face declining yields. In many cases, the impact has been so great that land can no longer support large herds of livestock. Simultaneously, African farmers are increasingly susceptible to climate change-induced fluctuations in rainfall and temperature, with major African staple crops expected to have eight to twenty two percent (8%–22%) lower yields by 2050. There is a need to increase the use of climate-smart agriculture (CSA) — agriculture centred on efficient input use, climate change resilience, and greenhouse gas emission reduction.

Many CSA approaches are designed to rehabilitate degraded land and build resilience to climate, pest, price, and other shocks. At its core, CSA emphasizes sustainably increasing agricultural productivity and incomes and, given the urgency of combating climate change, should play an important role in African's agricultural transformation story.<sup>7</sup>

## 2. Economic slowdowns and downturns:

In most cases, the recent economic slowdowns and downturns were triggered by falling commodity prices, often leading to currency depreciation and staple food price inflation as well as lower government revenues available for social sector spending. Economic slowdowns and downturns are typically the result of shocks, sometimes interrelated, including a sudden fall in external demand or in remittances, in aid or foreign direct investment received, or a shock to a country's terms of trade, social conflict, economic mismanagement and political instability, as well as climatic shocks. Adverse terms of trade shocks are a particular concern for developing countries as they carry the highest expected costs when compared to other shocks, estimated at an average 2.8 percent of GDP per year. Moreover, large terms of trade shocks affect low-income countries six times as often as they affect advanced countries. The greater vulnerability of low-income countries to terms of trade shocks is, inter alia, due to their dependence on primary commodity exports and their lack of economic diversification.

In Africa, a majority of countries are highly dependent on primary commodity exports and/or imports and are therefore vulnerable to international price and demand shocks related to these commodities. Indeed, African countries make up sixty-five percent (65%) of high commodity-export and low-commodity-import dependent countries (HE-LI), and forty-four percent (44%) of high commodity-import and export dependent countries (HE-HI). The USD prices of most commodities experienced a downturn that for many commodities started around 2011 but gained pace in 2014. Between 2011 and 2016, the annual average commodity price index for all commodities fell by more than 80 points. Most severe was the drop in crude oil prices starting from mid-2014.

While falling crude oil prices provided some relief for oil importing countries, for many countries the sharp fall in export commodity prices resulted in a deterioration in their terms of trade, i.e. the ratio of the export to import prices that they face. Terms of trade volatility are themselves serious concerns for countries dependent on commodity exports as they lower growth over the long-term. In the shorter-term, deteriorating terms of trade reduce a country's ability to import, and for the many African countries that are net food importers this means lower food imports or maintaining food imports at the cost of lower imports of other goods. The terms of trade of net food importers has worsened since the end of 2010 and accelerated in 2014, most markedly for oil exporting/net-food importing countries. A worsening of the terms of trade leads to a deterioration in the balance of payments, i.e. the record of a country's international transactions. A negative balance of payments means that there is a deficit in the availability of foreign exchange to finance imports, and this relative scarcity of foreign exchange means importers will have to pay more in terms of domestic currency to secure the foreign exchange they need, leading to a depreciation of the domestic currency.

When a country maintains a fixed or semi-fixed exchange rate, the government may decide on devaluing the currency in response to persistent balance of payments deficits. Many African countries, apart from those in the CFA zone, did experience a depreciation of their currency against the USD, or were forced to devalue it in 2014–2017. On average, currencies have fallen by 20 to 40 percent since the beginning of 2015.<sup>8</sup>

3. The lack of productivity of African agriculture exacts a high human and economic cost:

High rates of poverty prevail, especially in major agro-ecological zones such as the Sub-Humid “Guinea Savannah” and Semi-Arid “Sahel” regions where more than fifty percent (50%) of people live on less than US\$1.25 a day; more than two hundred and thirty-two million (232,000,000) people are undernourished in Africa. Low productivity also makes African agriculture an uncompetitive sector; around a third of all calories consumed in Africa are imported, resulting in a negative net agricultural trade balance of Thirty-Five Billion Dollars (US\$35,000,000,000.00) per year in 2015. Agribusiness activities outside of farming account for seventy eight percent (78%) of total value added in all agricultural value chains globally, yet this figure falls to approximately thirty eight percent (38%) in Africa. In the case of cocoa, Africa exports sixty nine percent (69%) of the world’s raw cocoa beans, but only sixteen percent (16%) of ground cocoa, which is typically worth two to three times more per ton than raw cocoa.<sup>9</sup>

4. Availability of arable farmland

5. Lack of good infrastructure

Circumventing African Food Insecurity

Notwithstanding the fact that the African agricultural food insecurity seems to be ravaging the continent on a wide scale, there is still hope at the end of the tunnel. The problem of food insecurity can be drastically reduced, and I dare say resolved through the following:

1. Government intervention:

Countries’ responses to the soaring food prices in 2007–2008 and 2010–2011 show that many tools are available to policy makers and that these can effectively reduce the negative welfare impacts of food price shocks on consumers. However, these tools are often expensive and distortional and can have negative consequences for trading partners.

Economic resilience must be strengthened to safeguard food security and nutrition against economic adversity. This will require short- and long-term policies and programmes. In the short term, countries need to protect incomes and purchasing power in the face of economic hardship. A wealth of evidence shows that social protection – in particular cash transfers, school feeding and public works programmes to reduce unemployment – is effective when well designed and implemented, at reducing poverty and food security as well as strengthening household resilience, building human capital and stimulating farm and non-farm activities. In addition, it is important to have in place health sector policies that protect the poor against catastrophic out-of-pocket healthcare costs as well as policies aimed at reducing excessive volatility of food prices.

In the longer term, countries need to invest to reduce economic vulnerabilities and inequalities; build capacity to withstand shocks; maintain health and other social expenditures; and use policy tools to create healthier food environments. This requires balancing a set of policies and investments to achieve an inclusive structural transformation that diversifies the economy away from commodity dependence, while fostering poverty reduction and more egalitarian societies. But countercyclical measures and investment require savings! It is critical to strengthen savings capacity when the economy is growing, using available instruments, such as automatic fiscal stabilizers, stabilization funds, sovereign wealth funds, macro-prudential norms, and the like. It is critical to invest these savings wisely.<sup>10</sup>

## 2. Private sector investment

Given the resource constraints of governments in Africa, the private sector, both domestic and foreign, has a potentially important role to play in financing agricultural investments on the continent, to enable countries to realize the potential of the agriculture sector for economic growth and job creation. These private actors - smallholder farmers as well as small and medium-sized private businesses - are beginning to play a role in a wide variety of key adaptation strategies. Their actions include:

- Introducing irrigation and water management systems
- Improving weather and seasonal forecasting systems - and ensuring that farmers can use them
- Introducing drought- and heat-resistant crop varieties,
- Adopting new "climate-smart" farming techniques, and
- Expanding finance insurance options for farmers.<sup>11</sup>

3. The development of context-appropriate agricultural technologies and strengthening of mechanisms to distribute them widely;
4. The provision of enabling hard infrastructure (roads, energy, water) in rural areas — which have historically been underserved by both public and private investments — to improve production and connect farmers to downstream activities;
5. The use of innovative financial instruments to both de-risk investments and crowd in private sector financing. Underserved recipients, such as women, youth, and rural populations, will be priority targets for this additional funding;
6. The strengthening of national and regional institutional capacity required to effectively enable necessary conditions for and regulate agriculture and agribusiness sectors;
7. The disproportionate effect of all these constraints on historically marginalized populations (e.g. women, youth, and rural populations);
8. The role of the production of nutrient-rich commodities in combatting malnutrition, especially among pregnant women and children under 5 years of age, and the historically underexplored intersection of agriculture and nutrition.<sup>12</sup>

## COVID-19 and African Food Security

There has been a widespread concern about the impact the COVID-19 pandemic is having on Africa's agricultural and food systems. This should certainly be a priority for leaders across the public, private, and development sectors.

The United Nations Environment Programme (UNEP) and relevant stakeholders have expressed concern regarding the COVID-19 impact on Africa, warning that debt crisis and food insecurity could worsen due to the pandemic.<sup>13</sup>

Some 650–670 million people in Africa, roughly half of the population, already face food insecurity. Of those, more than 250 million people are considered to be severely food insecure. Agricultural exports have faced severe disruptions. In particular:

- Agricultural products are flowing, albeit with some localized market and logistical bottlenecks.
- Agricultural pricing faced some localized pricing spikes after the start of lockdown in many countries, with some indication that these might be stabilizing.
- Agricultural exports have faced demand disruptions and some supply-chain issues.

While the Covid-19 health crisis has had an immeasurable adverse effect on food security in Africa, it is vital to remember that food scarcity was an existing issue pre-crisis.<sup>14</sup> In Africa, the number of people that are severely food insecure is broadly in line with the number of people that are undernourished. However, an additional three hundred and ninety-nine million (399,000,000) people were found to be moderately food insecure, i.e. they did not have regular access to nutritious and sufficient food, even if they were not necessarily suffering from hunger, of these, eighty seven percent (87%) live in sub-Saharan Africa. Despite a slowing in the upward trend in hunger, the food insecurity situation remains a challenge and food crises continues to affect millions of Africans. The 2017 and 2018 edition of the Africa Regional Overview of Food Security and Nutrition highlighted the importance of climate extremes, linked in particular to the 2014–2016 El Niño phenomena, and conflicts as key drivers of the deteriorating food security situation. These two factors continued to be the main drivers of food crises in 2018. Conflict left thirty-three million (33,000,000) people in 10 countries in Africa in 2018 in need of urgent humanitarian assistance. Another twenty-three million (23,000,000) needed assistance due to climate shocks, while ten million (10,000,000) people were acutely food insecure due to economic shocks. Even if the negative impacts of the crisis on the sector have been muted in the short term, there are several serious shocks that might emerge in the medium to long term, for instance loss of jobs and livelihoods and food price volatility could amplify the crisis through increased food insecurity. Also, demand shocks in key markets may cause a drop in export earnings and increased price volatility for export crops.<sup>15</sup>

During a virtual event organised by the International Support Network for African Development (ISNAD-Africa) in partnership with the World Wide Fund for Nature (WWF) as part of efforts to implement the Africa4Nature Health Initiative, UNEP's Regional Director for Africa, Dr. Juliette Biao Koudenoukpo, stressed that "a looming debt crisis, as well as related security and political risks could be significant going by the situation." She stated that the United Nations would implement a green stimulus recovery programme for Africa as part of post-COVID-19 recovery plans for the continent.

The short and medium-term goal is to encourage countries to act towards environmental conservation through implementation of policies, relevant regional and global frameworks, as well as all ministers' decisions while the long-term goal is to contribute to Africa's environmental sustainability and prosperity, and to the achievement of the Sustainable Development Goals (SDGs) and African Union Agenda 2063.<sup>16</sup>

As stated above, government intervention can go a very long way in circumventing the harsh effect of the pandemic. In Nigeria for instance, the Federal Government commenced a three-month repayment moratorium for all TraderMoni, MarketMoni and FarmerMoni loans as well as all Federal Government funded loans issued by the Bank of Agriculture to help assist smallholder farmers through the trying times. Also, in Nigeria's Economic Sustainability Plan (Bouncing Back), the country has dedicated ₦634.98bn for the creation of 5 million jobs in the agricultural sector<sup>17</sup> by focusing on increasing land under cultivation with State Governments contributing between 20,000 to 100,000 hectares from a combination of aggregated smallholder farms and utilisation of abandoned states farm settlements and agricultural projects.

In the same light, the Nigerian Minister of Agriculture and Rural Development, Sabo Nanono, stated that the Federal Government is set to commence a livestock pilot scheme in Nasarawa State to improve the sub-sector, which can be described a national asset as it is worth over Thirty-Three Trillion Naira (33,000,000,000,000.00). He further stated that the livestock pilot scheme in Nasarawa was worth Four Hundred Thousand Euros (€400,000) for a start, adding that Bauchi and Gombe states were also part of the programme. The agriculture mechanisation programme of the Federal Government would soon commence in 632 Local Government Areas across the country.<sup>18</sup> All these aim to boost agricultural production thereby guaranteeing food security.

## Conclusion

The challenges with the African food security abound however, all hope is not lost as the deliberate implementation of government and private sector initiatives such as the formation of management institutions, non-governmental organizations, regional and sub-regional bodies to address various challenges with common decisions and implementation of appropriate measures will circumvent food insecurity as well as the effect of COVID-19 on the continent and ensure a better future for agriculture in Africa.

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