

Keynote Opening Address Delivered by Dr. Akinwumi Adesina, Honourable Minister of Agriculture of Nigeria at the Africa Green Revolution Forum, September 2, 2014, Africa Union, Addis Ababa, Ethiopia

Excellencies, distinguished ladies and gentlemen, good afternoon! It is always a great pleasure to be at the Africa Union, the place where the voices of African leaders galvanize our continent to arise and shine. It is great to see you, Your Excellency, Dr Nkosazana Dlamini-Zuma, Chairperson of the Africa Union Commission, and thank you for your leadership for our continent. I am especially delighted to see the former United Nations Secretary General, Mr. Kofi Annan, the former Chairman of the Board of AGRA, Africa's iconic leader who never ceases to inspire us.

I wish to thank the AGRA Board Chairman, Strive Masiyiwa, Board members and the President of the Alliance for a Green Revolution in Africa (AGRA), Jane Karuku, and all their partners, for inviting me to deliver the keynote address at this 4th edition of the African Green Revolution Forum. I remember in 2009 in Accra, Ghana, where we held the inaugural Forum. The support of YARA has been inspiring from the start, as well as IDRC, Rockefeller Foundation, the Africa Union and the Bill and Melinda Gates Foundation. I am excited that the AGRF has become a solid platform for dialogue on the transformation of agriculture in Africa.

Today, seven of the ten fastest growing economies in the world are in Africa. But the growth is not inclusive. Growth is important, but nobody eats GDP. Africa's rural economies harbor the greatest share of those being left behind or excluded. We must ensure that Africa grows in a way that lifts hundreds of millions out of poverty. Because the majority of our people are in the rural areas, we must make sure that the nature of the new growth in Africa is one that opens up the rural economy. A totally revived rural economy must become the new economy of Africa.

We must end the era of prodigal economics, where Africa ignores its own agricultural potential and turns itself into a net food importing region, spending a whopping \$35 billion on food imports annually. Yet, 65% of all available arable land to feed the 9 billion people in the world by 2050 lies in Africa.

It was this belief that led Kofi Annan, as United Nations Secretary General in 2004 to call for a uniquely African green revolution, which inspired all of us. He knew that Africa has potential in agriculture, and like the visionary late Dr. Norman Borlaug, he threw a challenge to all of us right here, in Addis Ababa on July 5, 2004 to achieve this green revolution.

Much has been achieved since we started and the journey is full of emerging shoots of successes. From the rolling hills of Rwanda to the highlands of Ethiopia, the southern Tanzania, Ghana, Mali, Mozambique, Matoke fields in Uganda and the diverse ecologies of vast lands of Nigeria, fields of hope with bumper harvests are rising.

I am inspired by the level of partnerships for change that have been built over the years – an alliance of farmers, researchers, political leaders, private sector and philanthropic organizations, all with one goal and one mission: turn Africa into a breadbasket for the world.

So today, as we gather, we must set higher targets for ourselves in this quest for Africa to feed itself. We must not get complacent, for the voices of millions of malnourished children must spur us to action. No African child must ever go hungry.

To achieve our goal, we must set a new vision for agricultural transformation, inspired by the political leadership of African leaders and the African Union. As it was during the days of apartheid, Africans united together, our leaders inspired us and our friends supported us. Africa must feed itself and all Africans must arise. This new vision must be one that sees agriculture as a business not as a development program. The new vision must be focused on governments enabling the private sector. We must focus sharply on raising private sector investments in agriculture.

This new vision for transforming Africa's agriculture is what I call "**government-enabled private-sector led agricultural transformation agenda**". Under this new vision, governments must become innovators just like the private sector and develop innovative policies and institutions that will expand opportunities for the private sector, especially farmers who themselves form the largest private sector.

African governments must boldly support their farmers. They must also ensure that input markets work for farmers. Some may argue that supporting farmers in Africa via subsidies is not sustainable. I argue that poverty is not sustainable. Africa cannot become a museum of poverty. Poverty is not tradable and is not an industry, so Africa must not grow poverty. What is important is to develop ways of effectively targeting support to reach farmers, while ensuring that the private sector, not the government, delivers farm inputs to farmers.

This is what we did in Nigeria. When I took office as Minister of Agriculture in 2011, we ended four decades of fertilizer sector corruption within 90 days and with it the era of government buying and distributing seeds and fertilizers, and replaced it with a private sector-driven system. The role of government shifted to providing targeted farm support directly to farmers for seeds and fertilizers via electronic coupons on mobile phones or "e-wallets". Between 2012 and 2014, a total of 14 million farmers received their subsidized farm inputs using electronic vouchers on their mobile phones to directly pay private sector input retailers.

To enable the private sector seed companies to develop and thrive, we ended government monopoly over foundation seeds and opened it all up to the private sector. My dear friend and colleague, Joe Devries and his team at AGRA helped us to strengthen the capacity of our seed companies.

Spurred by the demand for seed through the e-wallet system, the number of seed companies in Nigeria rose from 5 to 80 within three years. One of the local seed companies, Maslaha Seeds has become a pride of the nation, increasing its seed production from 14,800 MT in 2011 to about 150,000 MT by 2013. I always knew that with me as Minister in Nigeria and support of my friend Joe Devries, we could do amazing things. Thank you Joe and PASS team at AGRA for your support.

Nowhere is the impact of these policies more evident than in our drive to become self-sufficient in rice. Between 2012 and 2014, 6 million rice farmers were reached with the improved rice varieties. Total cumulative cultivated rice area rose by 2 million hectares. National paddy rice production rose by an additional 7 million MT. Our new rice policy has attracted \$1.6 billion of private sector investments, and we expect that Nigeria will become a net exporter of rice, just like Thailand or India, within the next four years. Such is the power of science and technology when matched with strong supportive policy support instruments to drive impacts at scale.

As a result national food production increased by an additional 21 million MT between 2012 and 2014, surpassing the set target of 20 million MT set for 2015. Nigeria met its MDG Goal One on hunger and extreme poverty two years ahead of the 2015 United Nations target. Nigeria's food import bill declined from \$6.9 billion in 2009 to \$4.35 billion in December 2013 and continues to decline. Such is the power of agricultural transformations when there exists strong political will and supportive policies.

But we need more than bountiful harvests. We must create markets for farm produce. Much is being achieved, as commodity exchanges are expanding across the continent, from South Africa, Ethiopia, Rwanda, Kenya, Nigeria, as well as warehouse receipt systems. We must add value to all our farm produce. There is nothing like a low value crop. In Nigeria we have embarked on a major effort to use cassava flour to substitute for wheat flour in bread and confectionaries. Today, 35 bakeries have shifted to the composite cassava-wheat flour, including the largest supermarket chains in Africa; Shop Rite and Spar. By substituting 20% cassava flour, Nigeria will save over \$ 1 billion annually and unlock new economic opportunities for cassava farmers and processors. Nestle is using millet to produce top end breakfast cereals, while in Kenya, Uganda and Nigeria sorghum is used by the breweries to replace malt, and in Ghana and Mozambique cassava beer has become popular from SAB Miller.

We must unlock new sources of financing for agriculture. With rapid economic growth in Africa, the pool of funds in the private sector is expanding and dwarfs public funds. Pension funds, sovereign wealth funds, equity markets and bond markets all offer great opportunities to deploy financing for development of agriculture infrastructure, roads, rails and ports and irrigation. We must leverage these to access long term financing for agriculture. To do so, we must de-risk the financial value chains. Africa is succeeding in doing this. Using innovative financing tools,

AGRA successfully leveraged banks in Kenya, Tanzania, Uganda, Ghana and Mozambique to lend over \$100 million to small farmers and input retailers. In Nigeria, we designed the risk sharing facility for the Central Bank of Nigeria, which leveraged \$3.5 billion of lending from the balance sheets of banks to agriculture value chains. In all these cases, the default rates by farmers and agribusinesses has been less than 2-3%, and in the case of Nigeria it has been 0% for the past three years. Farmers should be provided with affordable single-digit interest rates to further spur growth across Africa rural areas.

To achieve Africa's goal of being a global powerhouse in agriculture, governments must enable the private sector to drive mechanization of agriculture. Talk to anyone about agriculture in Africa and they will paint a picture of farmers – mainly women – with hoes and cutlasses. We must face the fact: hoes and cutlasses are outdated technologies. They simply connote suffering. The time has come to rapidly mechanize Africa's agriculture. We have started in Nigeria. President Jonathan launched one week ago a \$340 million farm mechanization policy to take hoes and cutlasses into the museums and replace them with affordable and appropriate modern farm machinery. The government will enable the private sector tractor manufacturers and service operators to establish 1,200 Agricultural Equipment Hiring Enterprises across the country. Government will provide mechanization grants to farmers on their mobile phones, which they will use to access mechanization services from private sector mechanization service operators.

To reach farmers at scale, major attention should be put to revamping agriculture extension systems across the continent. The use of mobile phones for e-extension and farmer-help line centers that link researchers and farmers in real time should be promoted. Advances in rapid soil testing such as the Soil Doctors developed at Columbia University, which allows rapid diagnosis of soil nutrient problems within minutes, should be promoted across Africa to support sustainable agriculture. Young agriculture graduates can become mobile extension agents servicing the needs of farmers.

We must address the rapidly ageing population of farmers in Africa. With average age of farmers at 60 years in many countries, and with the youth migrating into urban areas, Africa faces the risk of having no farmers left within 20 years. We must avoid this “ageing farmer crisis” and take decisive policy steps to get the youth into agriculture. That is why in Nigeria we have set the deliberate policy to establish the Youth Employment in Agriculture Program with the goal of developing 750,000 new cadres of young commercial farmers and agribusiness entrepreneurs over the next five years. They will be supported with access to technical and business skills, access to land and affordable finance and market development support systems. We must also make agriculture exciting for the youth.

The “Do Agric – It pays” initiative of African musicians, inspired by the development-focused Irish Pop Star, Bono, is already getting the youth to see agriculture as a viable business. If well supported, I believe the future young millionaires of Africa will come out of agriculture. Yes, Do Agric – It pays!

Many of these should be women, so we must pay greater attention to the needs of women farmers, who form the majority of farmers, but are marginalized and lack access to labor saving farm equipments, extension, finance, and secure land rights. African women farmers have waited too long. Now, we must arise and embark on bold Africa-wide policy interventions to end this marginalization. Words will not be enough, only actions will count. To start, we must adopt an affirmative finance action for women across Africa, requiring that at least 30% of all loans by finance institutions go to women farmers and women agribusinesses. Evidence shows that women rarely default. Nothing pays better than investing in women.

But the gains we have made in the past few years are being challenged by climate change. Greater public funding for research will be needed to develop heat, drought and flood tolerant crops, forages that can cope with heat stress, animals with high stress tolerance levels, as well as improving adaptation for farmers. Improved land and water management will become even more important, as well as the use of agro-ecological approaches. It is imperative for governments, researchers and the wider development community to build resilience into agricultural value chains. Public policies should support farmers to take up crop and livestock insurance, as these are beyond the reach of many poor farmers. We must not abandon farmers in the face of climate change.

Despite gains being made in the transformation of agriculture, Africa still faces a huge challenge with malnutrition. While our cities are getting face lifts with modern infrastructure, we are not investing in “grey matter infrastructure”. The picture is not pretty as 26% of all malnourished children in developing countries are in Africa. We must broaden the green revolution agenda to include nutrition. We should aggressively promote food fortification, bio-fortification, school feeding programs and provision of multi-nutrient powders to mothers.

We must set a new agenda to develop effective public-private partnerships that will end malnutrition in Africa. Today, over 80% of the high energy foods used in Africa are from Asia and Europe. But all it takes to develop these high energy foods are sorghum, maize and soybeans, all of which are produced abundantly now in Africa. To address this, a Partnership for High Energy Foods in Africa is being developed, spearheaded by public and private sector within Africa.

Today, let us strengthen the power of partnerships. From the inspiring work of AGRA, Africa Union’s New Vision for Agriculture, Grow Africa, New Alliance for Food and Nutrition, there is new momentum behind agriculture in Africa.

We have reached the tipping point. Now we must ensure that we deliver greater impacts for African agriculture through government-enabled private sector-led agricultural transformation.

I have every confidence that, together, we will feed Africa. I cast my mind back to the days of apartheid struggle, as bold leaders chanted “Amandla” (power) and the people responded “Ngawethu” (power to the people). Today, as we drive the green revolution for Africa, the same slogan applies, except the power now is the power to innovate, to drive change, develop and scale up appropriate technologies, transform institutions and make Africa the continent of our dreams: full of prosperity and inclusive growth for hundreds of millions of people. You are the leaders than can make this happen. Then all of Africa’s farmers will respond to your shout of “Amandla” with “Ngawethu”!

Thank you and God bless you all.

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