

Chapter 6



Peanuts harvested in Mali. Photo by Ray Witlin, courtesy of World Bank Photo Library.

Findings and Recommendations

Key Findings

Agricultural development in Africa is a complex technical, economic, social, and political challenge that has to be overcome if the Region is to reduce extreme poverty and hunger—to meet the first Millennium Development Goal.

- Agricultural land in Africa falls into many agro-ecological zones and is generally characterized by poor soils, highly variable rainfall, and frequent droughts. Farmer access to irrigation and transport infrastructure is limited, as is their access to credit, improved seeds, and fertilizers. Extension support for improved soil and water management practices is weak. The majority of farmers are smallholders with 0.5 to 2.0 hectares of land and rely on diversified coping strategies that involve planting several crops with different maturity periods and keeping livestock. Total agricultural output in Africa consists primarily of food crops; agricultural export crops account for less than 10 percent of total production.
 - Increases in agricultural production in the Region have mainly come from area expansion rather than yield increases and have not kept pace with population growth. In recent years, however, expansion too has stagnated, indicating that land frontiers may have been reached, at least in some countries. As land becomes scarce, issues of ownership and property rights become more important. Land ownership in most countries in Africa is determined by socio-cultural and political factors. Social factors also determine the division of agricultural labor between men and women.
 - Political commitment to develop the agriculture sector has generally been low. Governments have used agriculture more as a source of resources for growth and have not invested adequately in its development. Government capacity is weak, and exchange rate and market distortions and poor incentives have limited private sector development and have also kept farmers from taking risks and intensifying agricultural production.
- Given the diverse constraints to agricultural development in Africa, the strategy for the development of the sector needs to be multifaceted, with coordinated interventions across a range of activities.**
- Farmers have to be convinced that it will be to their advantage to take on the newer technologies before they will undertake intensive

agriculture to improve productivity and cultivate new crop varieties that are riskier and depend on the availability of fertilizers and water. To do this, a number of factors need to come together at the same time, or at least appear in an optimal sequence: improved seeds, water, credit, and access to markets; good extension advice; and adequate returns through remunerative prices for inputs and outputs.

- Public-private and donor partnerships need to be developed/strengthened, with actors contributing in areas of comparative advantage.

The Bank has had limited success in helping address the challenges of agricultural development in Africa.

- The institution's strategy for the development of the agriculture sector has been part of its rural strategy, and over time the importance of agriculture in the Bank's rural strategy has declined. While the broader rural focus by the Bank from the mid-1980s was justified, an unintended result was that it led to less focused attention on the need for various activities that are critical to agricultural development in rural space to come together at the same time or to take place in some optimal sequence. Both arising from and contributing to this, technical skills to support agricultural development adequately have also declined over time.
- The Bank's diagnosis of a country's development status and priorities is carried out primarily through analytical work. Until very recently this has been limited and not readily available. Nor have the findings from analytical work strategically informed Bank client policy dialogue and lending program design.
- The Bank's lending support has shown little recognition of the need to develop agriculture in a multifaceted way, but has been "sprinkled" across agricultural activities such as research, extension, credit, seeds, and policy reforms, with little apparent recognition of the synergies among them. Partly because it has not taken a multifaceted approach to agricul-

tural development, the institution has not been able to take a long-term strategic approach to drought and food security. As a result, though there have been areas of comparatively greater success—research, for example—results have been limited because of weak linkage with extension and limited availability of such complementary inputs as fertilizers and water.

- The Bank's data systems and support for M&E have been insufficient to adequately inform the institution's effort to develop agriculture in Africa across a broad front. Current data systems do not allow the institution to track in enough detail how much is being provided for development of specific activities related to agriculture. M&E at the project level has been of limited value in answering fundamental questions about outcome, impact, and efficiency, such as who benefited, which crops received support and how, what has been the comparative cost effectiveness, and what is the appropriate attribution of the gains.

Recommendations

The Bank has an opportunity to contribute in a major way to development of African agriculture because it is one of the largest sources of development finance, and no other international donor has the Bank's ability to provide policy advice to governments. To effectively support the implementation of the Africa Action Plan and its appropriate focus on agricultural development as a key priority, IEG recommends that the Bank:

1. Focus attention to achieve improvements in agricultural productivity:

- Establish realistic goals for expansion of irrigation and recognize the need to increase productivity of rain-fed agriculture through improvements in land quality, as well as water and drought management.
- Help design efficient mechanisms, including public-private partnerships, to provide farmers with critical inputs, including fertilizers, water, credit, and seeds.
- Support the development of marketing and transport infrastructure.

2. Improve its work on agriculture:

- Increase the quantity and quality of analytical work on agriculture and ensure that policy advice and lending are grounded in its findings.
- Support public expenditure analyses to assess resource availability for agriculture and to help set Bank priorities.
- Rebuild its technical skills, based on a comprehensive assessment of current gaps.

3. Establish benchmarks for measuring progress:

- Improve data systems to better track activities supported by the Bank.
- Strengthen M&E to report on project activities in various agro-ecological zones and for different crops and farmer categories, including women.
- Develop a system to coordinate agriculture activities in a country with road access, market proximity, and soil conditions.