The Importance of Infrastructure for Agricultural Development and Food Security in Africa

Graham Stegmann
African Development Bank
Agriculture is fundamental in Africa
Accounting for:

- 17% of GDP
- 60% of the labour force
- 20% of merchandise exports
- most rural livelihoods

It is an essential component of growth
Importance underlined by food price crisis
But investment low and performance poor
In response aid declined from 20% in 1980 to 5%
We have to reverse the trend
To recognise that:
• it is essentially a private sector activity
• comprehensive and integrated approach needed
• That smallholder productivity must massively increase
• It will be different from the green revolution in Asia
There is general consensus on framework
Africa has broadly identified its priorities
Infrastructure is fundamental:

- for access and inputs
- to provide power
- to provide clean water and sanitation
- for irrigation and water storage
- to link farmers to markets

There was inadequate investment

But sector has performed poorly in the past

Operations and Maintenance was neglected
Key gaps:

- only 3.7% arable land irrigated
- 24% households have electricity
- 44% don’t have access to clean water
- less than 7% hydropower potential developed
- fertiliser use one tenth of world average
- inadequate water storage capacity

Resource requirements -

- $20-$40 billion per year in new investments
- The same for O&M
Complementary needs:
• enabling environment for private sector
• more value added and agri-business
• regional approaches
• reducing barriers within Africa
• progress in Doha round
• improved governance
• special attention to fragile states
• and to the needs of women
Climate change is having an impact:
• increasing volatility and risk
• diminishing returns
• imposing additional costs on infrastructure

Adaptation is urgent

But technology and mitigation get more attention

Innovative approaches needed

Including to preserve lakes and forests
We need to work smarter:
• in partnerships, each doing what it does best
• sharing analysis and information
• identifying and learning from best practice
• reducing the demands we make on recipients
• respecting and supporting country priorities
We have the tools, we need the will
The 2008 Borlaug Dialogue

Confronting Crisis