Session 1: Unlocking Africa’s Agricultural Potentials for Transformation to Scale

Special Economic Zones for Agricultural Production and Processing: The case of Nigeria’s Staple Crop Processing Zones and DR Congo’s Agricultural Business Parks

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BACKGROUND

From Algeria to Zimbabwe, Africa is not different from Africa.

- High growth and young population, with the greater proportion constituted by youth, under 25 years, the struggle to feed them and to meet their aspirations for decent jobs.
- Heavy dependence on agriculture for income, even where hydrocarbon holds sway, a large proportion of the labour force in subsistence agriculture, a large proportion of the population, typically a third, below the poverty line, the struggle to develop agriculture and the large drift of the youth to urban centres where no plans are made for their arrival.
- Large urban populations, high urbanization rates, high unemployment, high youth unemployment, crime and the tendency to restiveness.
- Heavy infrastructure deficiency, extreme low global competitiveness in the face of high resource endowments, the struggle to bolster the private sector and attract investments and very low national food security.
- Business development akin to fighting a war; hostile operating environment, bureaucracy, multiple regulations and agencies, changing goal posts and uncertainties that never allow for a perfect risk analysis.

Notwithstanding, African countries are moving forward, albeit ineffectively and inefficiently developing their agriculture sector and it is very well obvious that agro industrialization is one major missing link. Some African countries have done better than others in modernizing and bringing post-harvest to scale but food import dependency is a major concern. In the worst of cases, African countries import food that they produce, have a comparative advantage to produce or, for which they may very well be able to produce comparable substitutes, especially where the necessary processing technology is available and perhaps, also, that they may be able to source from within Africa.

In the past fifteen years, Africa has sustained a high level of economic growth recording an average of over 5% annual increase of GDP; primarily due to higher commodity prices and the greater performance of the extractive industries. Although spectacular by all standards, the economic growth has not translated into the fast poverty reduction rate that is much needed by Africans. Agriculture, which employs over 70% of the people of Africa is the sector that is expected to bring greater impact on poverty reduction. Several African countries have already started investing in the transformation of their agriculture in response to the need to diversify their economies, add value to agricultural commodities to create wealth and employment. The DRC and Nigeria have embarked upon a path to transform their agriculture and use it as an avenue to diversify their economies mainly fueled by extractive industries and turn them into powerful engines for creating wealth, reducing reliance of food imports and improve their food security.

In 2011, Nigeria launched its *Staple Crops Processing Zones* (SCPZ) initiative to establish sites across the country where the necessary physical infrastructure for processing the major crops consumed in the country would be built or upgraded, the production of such crops increased, and investments, both public and private, in agro-processing channeled to those...
sites. In 2014, DR Congo started a similar program, dubbed Parcs agro-industriels (PAI), where investments in crop production, agro-processing and marketing would be channeled in 22 sites spread across the country.

The success of an agro-industrial development program requires that the public and private sectors adopt a shared strategy of increasing productivity, seeking and maintaining competitiveness and focusing on a market orientation, enabling enterprises and people to make money. This strategy calls for strong commercial incentives and an enabling business climate that attract private investments, up-front investments in basic infrastructure and key factories, as well as coordination capacity building of stakeholders and appropriate governance of value chain actors.

The lesson, today, is that a lot can be learnt, rapidly in Africa, given the similarities of issues. It took time to come to the acceptance of the fact that processed cassava flour can be used to reduce Nigeria’s dependence on wheat imported from far away. Today, a 10% substitution for wheat (the target is 20% substitution) would save Nigeria at least US$1 billion per annum in wheat import bill. The other side of the story is the fact that the largest producer of the cassava flour in Nigeria today is the largest wheat importer. The need to continue such a trend, to create wealth for rural farming communities, restore hope and create sustainable jobs for the youth, reduce the excessive pressure that food imports place on foreign exchange have recently led the governments of Nigeria and Congo (DRC) to develop programmes for local, modern value addition to agricultural produce. The Nigerian SCPZ Programme was an instant hit with international and local agribusinesses. At least 7 major agribusinesses, including Cargill inc., Dangote Foods, Flour Mills of Nigeria, immediately committed to operate on 8 SCPZ sites. Unfortunately, investors have had to wait for the 3½ years it has taken to develop the Nigerian programme, many of them moving ahead of the government. An investor actually went ahead and built the largest Tomato Plant on one of the SCPZ sites even as the Programme was being developed.

Conscious of the fact that other African countries are at different stages of developing similar programmes and the need to share experiences, to rapidly achieve the aim of industrializing Africa’s agriculture, the Nigerian and Congolese teams had, earlier in 2015, set up a ‘Coordination Platform for Africa’s Transformation through Inclusive and Sustainable Agro-Industrial Development’ to allow for a rapid exchange of information and experience between interested African countries rather than continuing to re-invent approaches to solving the same problems. Such learning should allow for speed in the development of programmes so African agro industrialization teams can begin to act as fast as they talk and avoid lagging behind interested investors.

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1 Agricultural Business Parks (ABPs)
A. THE STAPLE CROPS PROCESSING ZONE (SCPZ) PROGRAM

1. Nigeria: Agro-Processing Development in Context

Prior to independence (1960), there were no serious policy, strategy or efforts towards agro industrialisation. Emphasis was on agricultural production which met the needs of food, national employment, national foreign exchange earnings and government revenue. For cash crops, especially, production was for export, supporting agro industrialisation and its benefits elsewhere. The legacy of colonization continued after independence as Nigeria continued to enjoy a foremost position in world’s agriculture trade as a major exporter of cocoa, groundnut, oil palm, cotton and, enjoyed domestic self-sufficiency in the staples. That dominance soon tapered as agriculture exports ultimately became supplanted by a mining primary export product (crude oil). The neglect of agriculture, that followed, soon impacted even the production of staples. At some points of national development, since the 1970s, the realities of the potential fact that Nigeria may become non self-sufficient on food had led to production oriented investment programmes like the ‘National Accelerated Food Production Programme’, ‘Operation Feed The Nation’ and ‘Green Revolution’, the development of ‘River Basin Development Authorities’ and more recently, the ‘Agriculture Development Projects’ all of which still made Nigeria a major food importing country.

Failing, not out of a lack of efforts, attempts to put industrialisation on a firm foundation were, understandably, not specific to agro industrialisation. The era of the preparation and implementation of National Development Plans (1962 – 1985), had at different stages, introduced strategies; including import substitution industrialisation, using industrialisation to generate employment, encouraging indigenous ownership and control of industrial enterprises and public sector led industrialisation in promoting industrialisation. The Plans stressed the creation of an industrial structure with linkages to agriculture, among other sectors but ended up with import based manufacturing and was adjudged to have achieved little industrial development for the country. However, Nigeria being a strong agricultural economy, several small, medium and large scale agro processing facilities; sponsored by the Federal, Regional and State Governments as well as local and foreign entrepreneurs soon appeared all over the landscape, without a framework that ties such facilities to adequate feedstock, requisite infrastructure and enabling environment. Many of such facilities failed. Indeed, overall manufacturing sector’s contribution to GDP which rose from 4.73% in 1961 to a peak of 7.66% in 1970 had fallen to 5.95% by 1987.

The obvious weaknesses in Nigeria’s overall industrial structure and planning led to the era of reforms, starting with the Structural Adjustment Programme ‘SAP’ in 1986. The SAP sought to promote private sector led investment and stimulation of non-oil exports and reduction in the country’s dependency on imported raw materials. The Industrial Policy (1989), The National Economic Empowerment and Development Strategy etc. made no serious references to addressing the issues that plagued agro industrialisation such that when Nigeria adopted the model of special economic zones, food processing was listed, only, as one of the 24 permissible industries. Of the 25 Special Economic Zones listed in 2013, only
one, indeed a private sector sponsored zone, is dedicated to agro processing (Sebore Farms Export PZ, Adamawa).

A specific case on the need for serious, sector focused, efforts to engender a rapid development of modern agro processing capacity in Nigeria, including a specific framework for assuring the critical elements; attraction of investment, especially from the private sector, scheduled feedstock availability, requisite infrastructure and real access to sector specific incentives and support, first came under the Agricultural Transformation Agenda ‘ATA’ of the Federal Government in 2011. The Nigerian Industrial Revolution Plan, subsequently (2014), makes an acknowledgement of the ATA Agro Industrialisation Programme in calling for agriculture focused ‘Specialised Industrial Clusters’.

The ATA estimated the lost opportunity, as Nigeria stagnated and lost agro export market share because it failed to invest in the Agricultural sector between the 1960s and the early 21st Century, at US$10 billion per annum. This was in addition to, an annual food import bill of US$9 billion on just a few commodities, with an unsustainable annual food import growth rate of 11%; fuelled by a rising population, a high rate of urbanization as well as changing tastes.

2. Agro-Processing Development in Nigeria: The Tipping Point

Over time, the combination of high population growth and high rates of economic growth related urbanisation, with the accompanying change in tastes, have made Nigeria a prominent importer of food, including many food items that it has a comparative advantage to produce and, some others for which it is capable of producing worthy substitutes, with the appropriate technology.
Incidentally, even with the impact of the neglect of agriculture over the period of the 1960s to 2010, evidenced in the comparably low government expenditure and the paucity of concerted and focussed programmes and the attendant lag on the key factors of agricultural competitiveness like access to modern production inputs; quality seeds, fertilizers, agro-chemicals, irrigation, modern agricultural technology, agricultural credit and production infrastructure, Nigeria still remains a global leader in the production of many staples. And, the ATA has confirmed, in the past 4 years, that the much touted agriculture potentials of the country are real as Nigeria, under ATA, is growing more food. For example, in the 2012/2013 (wet + dry seasons) 1.4 Million MT of paddy rice (916,137 MT of milled rice equivalent) was produced and by the 2013/2014 dry season alone, 2.96 Million MT of paddy rice (1.92 Million MT of milled rice equivalent) was produced.

Unfortunately, not all agricultural produce can be eaten as harvested and even so, seasonality is a major feature of agriculture, dictating the value of agro processing. And so, notwithstanding Nigeria’s potentials to be self-sufficient in food, including 84 Million ha of arable land, of which only 60% is unutilized, potential irrigable area of 3.14 Million ha, of which less than 1% is currently under irrigation, a large labour force, low wages, 279 Billion cubic meters of available surface water including 3 of Africa’s 8 major river systems and 58 billion cubic meters of underground water, Nigeria’s official import bill, by 2011, on just 4 commodities; wheat, rice, sugar and fish totaled over US$9 billion.

By 2011, Nigeria was spending over US$4b, annually, importing wheat, even though the country could partially replace wheat in bread and confectionaries with high quality cassava flour, through modern agro processing. The same goes for sugar with an annual import bill of over US$1.36b, even though the country can partially substitute with sweeteners that can be derived from cassava, through modern agro processing. But, Nigeria remains the largest producer of cassava and cassava farmers, across the country, suffer from regular glut and lost incomes. Also, while Nigeria is capable of growing all the rice it eats and evidence showed the potentials of locally milled Rice being comparable in quality with imported milled Rice, the country spent about US$2.3b on Rice imports.

Nigeria’s huge food import bill was adjudged unsustainable, even as at 2011 when oil, the major foreign exchange earner, sold at a considerable premium. The current
situation with the global oil price, in itself, justifies any intervention seeking to reduce food imports. Asides from the fiscal implications, in terms of the excessive pressure on the country’s foreign exchange, as with all high food import dependent nations:

i. there is great danger for national food security, in a world where every nation is strategic about its food adequacy, where food shortages have led to unrests, around the world and, many countries are known to have banned food export, especially at crisis times,

ii. high import dependency hurts Nigerian farmers. The resultant constraint on the market for agricultural produce is a disincentive to optimal production, and worsens the occurrence of postharvest losses and deterioration. Farm income and employment in farming communities suffer limitations, further deepening poverty. The attendant displacement of local production and employment to food import source countries contributes substantially to unemployment; a very serious matter in a traditional agrarian environment, robbing Nigeria the opportunity to create sustainable jobs at home. Unemployment, in Nigeria, grew from 4.3% in 1970 to 6.4% in 1980 and to 24% in 2011.

The realities of Nigeria’s food import dependency are much deeper and considerably exacerbated by thoughts of the quantum of foreign exchange that would be required, in the near future, for food importation based on predicted population and urbanisation figures.

The uncertainties in the global oil market would also confirm the importance of long held aspiration of diversifying the Nigerian economy to reduce its critical vulnerability. The vast, productive, arable land, large labour force, low wages, good climate, abundant water etc., and the potential to translate these into a high comparative advantage in the production of many staples and non-staples (plant and non-plant agricultural products) should ordinarily present considerable opportunities for the much desired diversification of the Nigerian economy. The world over, however, the more sizeable wealth in Agriculture comes from value addition activities, an area where Nigeria is considerably weak; lacking the necessary comprehensive framework to take value addition to scale.
Even though there is a huge and growing local demand for processed food, to meet food and nutritional needs of a large, rapidly growing and rapidly urbanising population and there is an accessible regional West African market and a not too far European market, many modern agro-processing facilities remain inoperative or operating sub-optimally, as supply side constraints rule the agro-processing sector. The myriad of small scale/traditional agro processing facilities, though have their place in national socio economic development, lack the necessary competitiveness, both in terms of price and quality. They lose out on the benefits of scale and the technology required for competitive processing, produce, often, inferior quality food items that are frequently bogged down with safety concerns, lack the necessary technology to keep pace with the rapid changing tastes characteristic of our rapidly urbanizing populations and hence have continued to contribute, substantially, to the yearning for more food imports.

3. Developing the SCPZ

The broad issues, deriving from the ATA, for the rapid development of agro-processing in Nigeria include; increasing production to achieve import substitution, increasing value-addition through processing, reducing the cost of doing business for processors, creating jobs and driving rapid rural growth.

An early ATA survey of agri-businesses in Nigeria recorded key challenges confronting the development of agro processing in Nigeria, including inescapable high costs of production and of doing business that make local agro-industrial production far from being competitive with imports and add up to discourage investments in agro-processing. These issues typically include poor access to quality infrastructure, high finance costs, poor access to quality feedstock in the scheduled required quantities and at prices that will allow for competitiveness, especially after the absorption of high transport costs of feedstock, and the pricing implications of low yield production. Added to these are issues of uncertainties in the policy and regulatory environment.

The development of SCPZs have naturally followed the need to address 2 categories of issues:

i. Upstream constraints that lead to downstream value chain breakdowns like low capacity utilization for operational plants. These include low utilization of improved seeds, fertilisers and mechanization that lead to yields that are 20-50% of the world’s average, highly fragmented and inefficient supply chains that lead to high post-harvest losses, weak linkages between producers and suppliers and limited market access and...
low utilization of the country’s arable land (60% of the country’s arable land is uncultivated while most of the farmers operate on less than 2 hectares of land).

ii. Limited investment in enabling factors; leading to poor downstream economies for the few plants that have remained in operation. These include limited access to affordable financing (agriculture received only 2% of total bank lending, interest rates were high at up to 25%), poor infrastructure, limited access to irrigation, preventing multi season cropping and leading to high production costs, limited investments in storage, modern processing and marketing facilities. Others include limited availability of skilled labour with the specific technical and business skills required for large scale commercial farm production and inconsistent policies to promote trade and investment in agricultural commodities.

The goals set for the SCPZs under the ATA were to:
1. Reduce national dependency on food imports, assure national food security at low and stable prices,
2. Create wealth for rural, and largely agricultural communities, that depend on agriculture for a livelihood, and
3. Create new sustainable jobs for the youth in agricultural production, processing and related activities and halt rural-urban drift.

The key objectives set for the development of SCPZs, therefore, were to:
1. Take an integrated approach to the value chain through addressing critical upstream and downstream bottlenecks, facilitating market linkages, reduce post-harvest losses, stabilise prices and naturally stimulate more optimal production,
2. Offer a superior operating environment that reduces the cost of doing business for downstream players,
3. Facilitate the creation of the right mix of incentives and consistent agriculture sector specific policies for investors,
4. Take a private sector led approach to attract private sector investments into adding value to local agriculture produce, maximize efficiency and ensure sufficient capital and human resources,
5. Facilitate the empowerment of youth and women through the creation of sustainable job opportunities in primary, secondary and tertiary production, logistics and production support, product aggregation, storage, preservation, processing, the development and maintenance of infrastructure and other common use assets in the SCPZs and the ABIRs.

The SCPZ Concept
The first major phase in developing the SCPZ Programme was the development of a conceptual and legal context to address key design issues, requisite for success, in the development, management and operation of SCPZs across Nigeria. The context had to be robust enough to help, across Nigeria, expand the agribusiness- farmer linkage model through the right mix of public and private investments and, ultimately, improve agricultural productivity, generate shared growth and substantially reduce poverty in rural areas, increase
food production, add value to local produce through processing, reduce the cost of doing business for processors and reduce the demand for imports, attract new investments to create jobs, especially in rural areas, and to drive the economy. Nigeria is a Federal Republic, 923,768m² in size, with 36 States and a Federal Territory and 180 million people. By law, both the Federal and State Governments have responsibilities for agriculture but, more importantly, the State Governments have control over land. SCPZs can therefore only be developed under a strong partnership with the State governments.

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The conceptual and legal setting for the SCPZ was developed to address certain key elements:

1. **Zone definition**  
To save on unnecessary transportation costs (among other factors), it was resolved that SCPZs be developed within clusters of production. For proper control, SCPZs must be clearly delineated within such clusters.

2. **Value for farmers**  
Creating value for farmers upstream, alongside agro processors downstream that are being deliberately attracted was a cardinal justification for the SCPZ.

3. **Zone attractiveness**  
The SCPZs are meant to attract investors, primarily in agro processing and, for the wide range of related activities that will be involved in their development, management and operation.

4. **Inclusion of relevant actors**  
Partnership with host communities and the wide range of local stakeholders who must necessarily be in cooperation is critical for the establishment and survival of SCPZs.

5. **Integration**  
SCPZs must be well coordinated with other relevant development initiatives of the Federal, State and Local Governments as well as those of the Donor Community and the Private Sector.

6. **Best Practice**  
To boost SCPZs appeal to local and international partners and investors, internationally acceptable practice and norms must be followed.

7. **Site development and management structure**  
A clear definition of roles and responsibilities for SCPZ implementation is very important for understanding the programme and for its implementation.

8. **Zone governance**  
A clear definition of mandates, obligations and expectations is critical.
9. **Sustainability**

SCPZs must, necessarily be sustainable and no party must be worse-off by their implementation.

**Model Sites**

It was resolved, ab-initio, the development strategy will involve testing the SCPZ concept on a few sites and the learning will guide a national roll out: ‘Test-Learn-Adapt. The next logical stage, therefore, was the identification of clusters that should host Model sites. The ATA, rather than trying to drive the entire agricultural sector forward at the same time had focused on a first few key priority commercial and staples crops, intending to develop these for growth and employment creation, with the expectation that the rest of the sector will subsequently follow. Cluster identification was therefore based on specialisation on ATA priority staples; including: cultivated area, production volumes, surplus volumes and yield per hectare. Locations within identified clusters were subsequently evaluated on agriculture potentials, business environment, existing agro-industrial activities, competitiveness and state government buy in.

4. **The Nigerian Staple Crop Processing Zone Programme**

The SCPZ is an ‘Agricultural commodity focused’ demarcated area, within a high agricultural production cluster, to be developed to attract private sector investors into modern processing of locally produced crops, livestock, fisheries etc. It may be a contiguous land mass and can also be a corridor, consisting of a cluster of smaller demarcated areas.

- The focus in an SCPZ is more towards a single commodity, for specialisation and economies of scale. The processing of other commodities may be encouraged, where the cluster also supports production volumes that can feed profitable, modern processing of such additional commodities.
- Feedstock for processing comes primarily from the immediate surrounding production catchment area delineated as the Agribusiness Investment Region (ABIR) of the SCPZ, where small holders, medium scale and commercial farmers are linked to processors. The size of the ABIR will be dependent on factors relating to the ease of transportation into the SCPZ.
- A SCPZ may be sponsored by a Government, the Private Sector or a partnership between Government and the Private Sector.
- The Alape Model SCPZ in Kogi State of Nigeria occupying 250 ha. of is focussed primarily on Cassava. The Anchor Investor, a major international agribusiness, will process Cassava into Starch and then into Sweeteners. The Investor will also produce animal feeds from maize and soyabean. The ABIR has been set at 30 km radius of the
The development and operation of an SCPZ includes, as a primary activity, making the farmers happy towards ensuring guaranteed scheduled availability of feedstock to processors through:

- support and enhancement of existing production activities and the promotion of new production activities, as required, within its ABIR, including support to improve farmers productivity, facilitating access to inputs and services, including financing, extension, mechanization, land clearing, etc.; equipment and small scale production and marketing infrastructures (such as small scale processing and aggregation centers), grading, quality and standards, capacity building and land assembly, through coordination with the initiatives of the ATA, development partners, agro-processors and other private sector initiatives,

- the facilitation of market (farmer - processor) linkages in its ABIR, including the development of off-take agreements with farmers, assisting farmers deliver on the contracts, structuring the off-take contracts and structuring farmer organizations for the purposes of such linkages.

The ATA has developed a 250 ha. Demonstration Cassava farm towards enhancing farmer productivity in the ABIR while the Anchor Investor is also conducting farm trials on appropriate varieties and methods. The Fadama III Project of FMARD/World Bank has deployed in the ABIR towards establishing farmer-agribusiness linkages. The Anchor Investor has obtained 30,000 ha of land in the ABIR towards setting up a 5,000 ha nucleus farm and developing a 25,000 ha out-grower scheme.

To attract processors into the SCPZs, the Programme provides a standard set of offerings aimed at providing a competitive cost advantage and reducing the administrative burdens of SCPZ investors. Additional, optional, incentives may be arranged with the Federal and State
Governments on a case by case basis.

- The SCPZ Standard offer, associated with the SCPZ status includes security of investment, feedstock supply security, affordable access to critical infrastructure, financial incentives in subsidies to address key start-up costs, administrative incentives, including streamlined procedures, land lease at the SCPZ and facilitation of access to land in the ABIR.
- For agro processors and all other investors (in production, infrastructure development, site management and other associated activities) the SCPZ Programme will facilitate real access to other existing fiscal and non-fiscal incentives that investors are normally qualified to enjoy under the various incentive regimes that are existing in the country.

UNIDO, under contract, prepared Master Plans to guide the development of some of the Model sites, under consultation with stakeholders and host communities in particular, with a primary goal of assuring that SCPZs create value for all stakeholders.

- SCPZs drive farm productivity increase and strengthen agribusiness - farmer linkages and supports SMEs, especially those relating to the SCPZ value chains, all of which create jobs and increase income for the host communities, contributing to reducing poverty in SCPZ areas. Investors also have obligations on local content stipulation to ensure such linkages and on corporate social responsibility.
- Roadshows and Town Hall meetings have been held in host communities to further engage with and validate plans with stakeholders. Disclosures are also made on important statutory documents like ESIA reports.
- To ensure the full participation of the youth in SCPZs, the concept of Agro Industrial Towns ‘AIT’ was developed, as a specially equipped settlement, within the ABIRs to each SCPZ, that will be used for attracting the youth into the SCPZs.
- A programme for supporting general socio economic activities in the ABIR has been prepared with the assistance of the World Bank. A Master plan has been prepared for the AIT (farm city) for the attraction of the youth to the SCPZ.

The SCPZ Programme development is a collaboration with relevant development partners to ensure complementarity of relevant development programmes and projects, especially of:

- Key Federal Ministries including; including the Federal Ministries of Industry, Trade and Investment, Works, Power, Water Resources, Petroleum Resources, Communication, Environment, Mines and Steel Development and the National Planning Commission (NPC) who are members of the SCPZ Development Team and provide inter-ministerial coordination of relevant activities,
- International Development Finance Institutions like the World Bank and the African Development Bank which have recently rearranged some of their country programmes to align with and foster the development of SCPZs,
- International Development Partners like USAID, DFID, IFAD and their projects, like the ‘Lakaji Corridor Project (NEXTT) of the USAID,
- State Governments, and
- The Nigerian Agribusiness Group.
Cognisant of the need for the SCPZ Programme to have an international appeal, the programme had partnered with major international development organizations; including the World Bank, African Development Bank, DFID, USAID, IFAD, UNIDO, IITA, right from its inception. Further, the SCPZ framework was developed from benchmarking special economic zones and agro processing hubs in several other countries and, from substantial stakeholder consultation within and outside of Nigeria, including consultations with audiences of major international Agribusinesses at the World Economic Forum in Davos, and at the World Economic Forum for Africa in Capetown and Abuja.

SCPZs are developed under investment driven strategic partnerships between the Federal and State Governments and the private sector i.e., Government support but with much of the infrastructure provided under PPPs.

- The Federal, State and Local Governments facilitate the connection of an SCPZ to public (off-site) infrastructure. Additional desirable infrastructure, services and reticulation (on-site) of infrastructure will be provided, commercially, by the private sector, solely or under investment driven PPP arrangements. Zone specific Special Purpose Vehicles (SPVs) will be set up in this regard.
- Subject to the governing rules, land for processing activities is guaranteed on SCPZs while the host State of an SCPZ will assist investors in assembling land for production activities, where desired.
- The Federal, State and Local Governments facilitate the provision of production infrastructure; farm roads, irrigation, mechanization, aggregation centres, warehouse storage in the ABIR.
- To assure sustainability and maintenance of high standards, SCPZs will be private sector managed (SPVs).
- Towards fulfilling the responsibilities of the Federal Government on the site, the Federal Government has sought financial support from the World Bank which is currently the subject of a World Bank project under preparation. Federal infrastructure Ministries are also aligning their development programmes towards the provision of off-site infrastructure on the SCPZ.

The Federal Government, will supervise and regulate the SCPZs through a Staple Crop Processing Zone Authority (SCPZA), to be set up by an Act of Parliament. The SCPZA will license SCPZs. The SCPZA will be a revenue generating and self-sustaining body.

- Currently, pending the passage of the SCPZA Act, SCPZs are managed under the supervision of the Federal Ministry of Agriculture and Rural Development (FMARD) and the Federal Ministry of Industry, Trade and Investment (FMITI).
- At the SCPZs level, the FMARD, the FMITI and the host State Government will set up a second tier organization, an Executive Management Committee (EMC) to represent the SCPZA at the SCPZ, to implement the development plans and oversee zone administration.

To ensure that the SCPZs have and maintain a global appeal, there is compliance with international safeguard regulations and guidelines, in particular as regard to environmental
and social safeguards, inclusion of local community and respect of their livelihood, and rights on land and natural resources for any SCPZ related activity in the SCPZ/ABIR area. Government facilitation of land acquisition for production, in the ABIR, is in a manner that assures partnership between agribusinesses and host communities. Indeed, SCPZs are guided by the ‘principles of responsible agricultural investment (UNCTAD, FAO, IFAD, WB).

- A framework approach to dealing with Social and Environmental issues has been adopted whereby specific procedures and activities have been prescribed for each of the possible impacts once specific activities are identified. Additionally, to ensure best practice in line with the principles of responsible agriculture investment, the Presidential Technical Committee on Land Reform is assisting towards a Systematic Identification and Registration of Title Rights for the establishment of tenure security and possessory rights on land in areas serving SCPZs.

B. The Parc Agro-Industriel (PAI) program in DRC

1. Background

The Democratic Republic of Congo (DRC) is a vast country with 80 million hectares of arable land. The country enjoys good rains, and its Congo River basin is made up of numerous tributaries that make it possible to have irrigated agriculture on at least 4 million hectares. With its 75 million inhabitants, 70% of whom are involved in agriculture, the country does not have shortage of manpower.

Despite these favorable assets, Congolese agriculture faces many challenges; productivity is very low due to little or no access to inputs and technology. The funding for agriculture development has never reached the 10% of government total budget that was committed to by African Heads of State at their Maputo Summit in 2003. Other factors worth mentioning are the weak institutional framework for agricultural research, the shortage of skilled labour, inadequate land tenure system, high cost of credit if at all available. The poor performance of the agricultural sector leads to food insecurity and poverty, especially in rural areas, and makes the country dependent on massive food imports to meet its citizens’ food needs. In 2014, food importation by DRC exceeded USD 1.5 billion.

In 2010, poverty levels were estimated to reach 75.73% in rural areas and 61.49% in urban areas (Ministère de l’Agriculture et Ministère du Développement Rural, 2010. Stratégie sectorielle de l’agriculture et du développement rural. RD Congo). Faced with this dire situation, the President of the DRC decided that it was time to turn Congolese agriculture into an engine of economic growth.

The DRC is the future breadbasket of Africa. Its agricultural potential is unrivalled on the continent:

- Over 80 million hectares of arable land
- Wide variety of climatic conditions
- Abundant rainfall
- More than half of all fresh water resources in sub-Saharan Africa
- The potential to feed 1 billion people
- Pasture resources to support 40 million cattle
- Borders four of Africa’s Great Lakes
- Inland fishery resources to support 700,000 tonnes of fish
- 15,000 km waterway network
- Ambitious productivity targets in place – maize production predicted to rise to 5 million tons a year by 2016, cassava production to increase to 45 million tons and rice to 1 million tons by 2016

2. The PAI Concept and rationale

Recognizing that over 90% of agricultural producers are smallholder farmers, the traditional approach to agriculture development in RDC has been to focus on the needs of the smallholder farmers (Ministère de l’Agriculture et Ministère du Développement Rural, 2010).

Since 1966, the Government of the DRC through its Ministry of Agriculture and Rural Development, and with the support of its development partners, including the World Bank, the African Development Bank, the European Union Commission, and several aid agencies from developed countries, have implemented numerous programs and projects designed to increase agriculture production, improve food security and reduce poverty. Despite these efforts, the per capita agricultural productivity index of the DRC has steadily declined between 1961 and 2011.

This decline can be explained by the lack of an integrated system to link producers with consumers in a vast country with an embryonic communication system. Energy and water supply systems are not available to an overwhelming majority of smallholder producers making production activities not competitive and postharvest handling and storage inefficient and subject to high levels of losses. Smallholder farmers in DRC usually have little access to credit, technical training and quality inputs, and lack the transport infrastructure necessary to carry their produce to markets.

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Having put its economy on a recovery path that has seen its GDP grow continuously at over 5% per year since 2002 mainly on the strength of its extractive industries and services sector (telecommunications, banking), and having come to terms with the causes of political
instability and civil strife in its eastern region, the DRC needs to diversify its economy, take advantage of its vast agricultural potential as a means to bring development to millions of its citizens linked to agriculture and reduce food importation. As in most developing economies, 60-80% of the population is active in the agricultural sector. Growth in this sector is a prerequisite for addressing the food insecurity that has taken root in the country and would have a significant and positive impact on family incomes and on other sectors.

The strategy adopted by the DRC government consists of concentrating its interventions in growth poles or corridors within which the necessary infrastructure (energy, water, roads, etc.) would be established to enable privately managed agricultural enterprises and farmers cooperatives to focus on food crop and livestock production, processing and marketing in a coordinated manner in the context of an agro-industrial park (Parc agro-industriel, PAI). In addition to providing infrastructure, the park would also host services

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- Access to joint services: power generation, water distribution network, cold storage network, storage facilities, fertiliser supply, etc.
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The first agro-industrial park was established at Bukanga-Lonzo, 250 km east of Kinshasa by a South African contractor with funding from the DRC Government. The contractor carried out land surveying and extensive soil testing for an area covering 80,000 hectares. Activities in the park were launched on 15 July 2014 by the H.E. the President, and on 22 September 2014, maize planting began on 5,000 ha using hybrid seeds and productivity enhancing technologies (tractors, lime, fertilizers). The first maize harvest was conducted on 15 March 2015 using combine harvesters.

The yield achieved was estimated at 2 metric tons per hectare, from a total harvest of 10,000 metric
tons of maize (Le Potentiel, 2015). To bring this maize within reach of consumers, the PAI-BL opened retail outlets dubbed “Espace Bukanga Lonzo” across the city of Kinshasa.

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4. Covering the entire agricultural value chain

The management of the agro-industrial park will be provided by a group of three distinct companies:

a. *Le Parc Agro-Industriel de Bukanga-Lonzo* which will be responsible for the management of the site to ensure that all facilities inside the park are in good working order and ready for serving the needs of companies carrying out production and processing activities inside the park. These facilities and services will include energy and water supply, irrigation system, transportation system by road, waterways, and rail, housing, sanitation and waste management, ICT, communication and public relations, advocacy, legal matters, plant and soil laboratory, sanitary and phyto-sanitary services, veterinary laboratory, credit and finance for agricultural inputs, security and safety, insurance, emergency services, warehousing and storage. This company will also host quality control laboratories, quality and safety management certification systems, and research and development centers. The services will be provided to companies on a fee-for-service basis to ensure their sustainability. This company will also handle negotiations with local residents of the park and with investors interested in bringing their business into the park.

b. *La Société d’Exploitation du Parc Agro Industriel de Bukanga Lonzo* which is responsible for crop and livestock production and processing inside the park.

c. *Le Marché International de Kinshasa* which is located at Maluku on the bank of the Congo River, and was given the task of commercializing all produce from the park and from anywhere else in the area.

The three companies ensure that all the steps of the agricultural value chains of interest can be managed and are aligned for greater productivity and efficiency.

Agricultural Enterprise Processing Zones: The Challenges

The development of Staple Crop Processing Zones was conceived as a means of rapidly developing agro-processing in Nigeria; to convert Nigeria’s comparative advantage in the production of staples into the competitive advantage required to create much desirable prosperity for Nigerian farmers, import substitute for products that Nigeria can produce very
well, create sustainable job opportunities, especially for Nigerian youth and engender, for rural farming communities, infrastructure developments that would ordinarily not occur.

1) The implementation of SCPZs brings into rural farming communities, major new physical and social infrastructure, that would ordinarily not have occurred. The associated and the consequential socio economic activities will engender rural development, create new zones of economic prosperity and sustainable jobs that will:
   a) Create an estimate of up to 10,000 new jobs per SCPZ in production, processing and associated activities,
   b) Help reduce the menace of rural-urban drift,
   c) Help reduce the menace of youthful hopelessness and the tendency to restiveness, and
   d) Provide new tax revenue for Governments,

2) The modern processing of agricultural produce, that is being attracted, will create secured markets for agricultural produce of the clusters and will:
   a) encourage more optimum farm production, in the light of support and training to farmers. Increasing yields will help drive competitive costs of produce to the processor and higher incomes and net profits to farmers.
   b) reduce the terrifying levels of post-harvest loss/deterioration of agricultural produce, estimated at up to an average of 40% of farm production and increase net profits to farmers. An estimate, in Nigeria, puts post-harvest loss, at 40%, on just cassava, yam, plantain, rice, tomato and cattle meat at US$17.4 billion per annum.
   Overall, the stimulation of increased household incomes from improved productivity and reduced post-harvest losses will create additional wealth for farming communities in the surrounding production clusters of an SCPZ and will help, substantially in reducing rural poverty. Increased productivity and reduced loss should also make food more available.

3) The promise of certain, scheduled feedstock availability, definite access to affordable quality infrastructure and desirable and practical incentives, that will reduce unnecessary costs absorptions (by an estimate of up to 28%) has the potential to engender agricultural industrialization, contribute to national economic growth and a truly sustainable diversification of the Nigerian economy. It is hoped that Nigeria will, through the SCPZs, hone its quality standards towards preparation for food export as well as open the doors towards further industrialization of its agricultural products.

4) By ensuring international standards and that processed products will match imported food in quality and pricing, import substitution will be naturally driven; thereby reducing national dependency on food imports and the attendant pressure on the nation’s foreign exchange. National food security will be assured alongside the benefits of a better control on food quality, economic growth and low and stable food inflation. There will also be reduced susceptibility to potential shocks in global food markets.

For the Parc Agro Industriel, the commercialization of maize flour from the PAI de Bukanga Lonzo in the city of Kinshasa has shown that consumers can make 30% savings compared to maize flour commonly found on the local market. It is well established that consumers in the lowest income bracket spend a high proportion of their income on food. Therefore, a 30% reduction in the cost of a staple food such as maize flour is bound to make a significant and positive impact on the food security of the poor in DRC. Interestingly, the PAI-BL has placed
its retail outlets in the neighborhoods of the city of Kinshasa where the poorest city dwellers live: Masina, Ngaba, etc.

The PAI-BL has brought electricity, clean water and roads to an area where it would have taken many years before such infrastructure could be made available. As a result, the villagers living inside the PAI-BL have increased their acreage of planted cassava from a few hectares to over 200 ha. In a symbiotic relationship, the PAI-BL has decided to establish a cassava processing factory with the technical assistance of the CGIAR centers IITA and IFPRI. A benefit sharing mechanism between the villagers and the PAI-BL is under discussion to ensure a win-win situation.

The presence of the Marché International de Kinshasa means that not only the PAI-BL but all farmers in the vicinity have an outlet for their produce. Traditionally, the Congo River has been the most economical way of moving goods from inside DRC. Agricultural produce from as far as North Kivu travels by road to Kisangani where it gets loaded on a ship and taken to Kinshasa. Goods from Katanga and the Kasais travel by road or rail to Ilebo and from there down the Kasai River into the Congo River and onwards to Kinshasa. The location of the Marché International de Kinshasa means that crop, fisheries and livestock products can come from various parts of the DRC and be traded there for consumption by the 13 million people in Kinshasa and Brazzaville, or once the local demand is satisfied, be offered for export.

The villagers inside the PAI-BL have been the first to benefit from jobs as farm worker or machine operator. At full capacity, it is estimated that 11,000 jobs will have been created. Already the rural towns near the PAI-BL are showing signs of renewed development, with new homes being constructed. In time, these towns will benefit from access to electricity and clean water thanks to the presence of the PAI-BL.

As noteworthy these major positive contributions are, the implementation of robust agro industrialization programmes, designed to address the typical agro industrialization issues of Africa face certain implementation stage issues that can affect the attainment of their laudable goals; including:

1) The proclivity to food importation - The critical need to curb the propensity to import food, both from the side of the consumers and that of the local importers, if local processing is to get a chance. As an example, locally milled rice may match imported rice in quality but the rice import cabals who profit from importation usually do not have a reason to support local production until they are coerced. A ‘buy/eat local’ campaign is desirable but a more drastic measure, such as a consumption levy on the import of locally available food may become necessary to protect local production. Revenue from such levy may actually form the base for a much needed development Fund for agro industrialisation.

2) Funding – The infrastructure challenges to agro industrialization are huge and raising finance towards assuring that Governments can fulfill their obligations in kick starting project development, even where private sector provision is envisaged, is critical as well as long term funding support to private sector investors – agro processors, infrastructure and service firms. A large pool of low cost, long term funds will always be critical in the implementation of these programmes. Indeed, as in the case of the PAI, DRC, the Government has identified twenty new sites across the country where agro processing initiatives could be implemented, however, it is unlikely that the Government will have the resources required to develop all these sites. The availability of project development grants would also help.
3) Having a Champion. The time it takes to bring a project like the development of an Agricultural Enterprise Processing Zone to maturity is such that these are not the kind of projects that would get constant, high level attention. Considerable patience and commitment are well indicated, calling for an influential champion to drive the cause. The private sector would typically not commit funds until they are very sure on a project and the assurances of an influential champion in government goes a long way in that regard.

4) Capacity of Government officials to prepare and to negotiate projects with international development financiers is also a critical relevant factor that can speed up the development of these programmes.

5) Quality Standards. Attaining and maintaining standards that are comparable to those of imports will be critical to ensure the success of local agro processing programmes and, to prepare local production for possible future export.

6) Climate resilience. Agro industrial parks must be adapted to climate change, which may alter their fortunes in the near future.

**Agricultural Enterprise Processing Zones: Opportunities**

1. Given that, perhaps, the greatest primary challenge to the development of Agricultural Enterprise Processing Zones in Africa is the very poor state of infrastructure required for competitive processing and associated production, the ‘Africa50’, specialized international financial institution of the AfDB for accelerating infrastructure development in Africa may be of major value, if adequately capitalised or recapitalised for support to AEPZs. Alternatively, since it has a focus beyond agriculture, a similar, dedicated institution that would also support project development and project finance will be desirable, which will also be able to support specific agro production infrastructure needs.

2. The ‘Coordination Platform for Africa’s Transformation through Inclusive and Sustainable Agro-Industrial Development’ can be well developed as a platform for the critical exchange of ideas and experience between agro-industrialisation teams and the private sector. The platform will encourage the growth of sustainable agro-processing in Africa, promote public investment in basic infrastructure (road, energy, water) to support agricultural development, attract private investments, and facilitate exchange of information, expertise and cross-investments for greater regional trade. Its mission will consist of promoting agro-industrial development to achieve economic diversification, intensify job creation and reduce food imports while improving food security. Its goal is to contribute to bringing about a prosperous Africa feeding itself and the world.

The Platform will be made up of a lean secretariat attached to a sponsoring development institution such as the African Development Bank, and of country focal points. The secretariat shall include three professional staff, including a Chief of Party, an economist/agribusiness specialist and a technology specialist. The country focal points shall consist of the key person in charge of agro-industrial development in the country. The Platform secretariat shall organize periodic meetings with potential investors and key policy makers with influence on agro-industrial development and
commission studies of investment opportunities in agro-industries or needed infrastructure development. The country focal points shall refer to the Platform secretariat challenges, opportunities or success stories requiring supranational consideration.

At least one annual meeting shall bring together all the country focal points, the Platform secretariat, and key stakeholders from various countries and relevant institutions. The Platform shall report to the African Development Bank through the Department of Agriculture and to the countries through the country focal points.

**Draft action plan**

Activities to be undertaken by the platform include:

- Designing model agro-industrial parks targeting key commodities
- Carrying out market opportunity studies to guide decision making
- Informing policy formulation in favor of agro-industrialization, including compliance with international standards
- Disseminating guidelines for responsible large scale farming
- Assembling and disseminating relevant documentation (website, social media)
- Championing the case for African agro-industrial development through investment promotion events, road shows and reaching out to potential investors

**Budget**

An indicative budget for the functioning of the Platform is as follows:

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References

3. Internal Working documents at FMARD
B. THE PARC AGRO-INDUSTRIEL (PAI) PROGRAM IN DRC

1. Background

The Democratic Republic of Congo (DRC) is a vast country with 80 million hectares of arable land. The country enjoys good rains, and its Congo River basin is made up of numerous tributaries that make it possible to have irrigated agriculture on at least 4 million hectares. With its 75 million inhabitants, 70% of whom are involved in agriculture, the country does not have shortage of manpower.

Despite these favorable assets, Congolese agriculture faces many challenges; productivity is very low due to little or no access to inputs and technology. The funding for agriculture development has never reached the 10% of government total budget that was committed to by African Heads of State at their Maputo Summit in 2003. Other factors worth mentioning are the weak institutional framework for agricultural research, the shortage of skilled labour, inadequate land tenure system, high cost of credit if at all available. The poor performance of the agricultural sector leads to food insecurity and poverty, especially in rural areas, and makes the country dependent on massive food imports to meet its citizens’ food needs. In 2014, food importation by DRC exceeded USD 1.5 billion.

In 2010, poverty levels were estimated to reach 75.73% in rural areas and 61.49% in urban areas (Ministère de l’Agriculture et Ministère du Développement Rural, 2010. Stratégie sectorielle de l’agriculture et du développement rural. RD Congo). Faced with this dire situation, the President of the DRC decided that it was time to turn Congolese agriculture into an engine of economic growth.

The DRC is the future breadbasket of Africa. Its agricultural potential is unrivalled on the continent:

- Over 80 million hectares of arable land
- Wide variety of climatic conditions
- Abundant rainfall
- More than half of all fresh water resources in sub-Saharan Africa
- The potential to feed 1 billion people
- Pasture resources to support 40 million cattle
- Borders four of Africa’s Great Lakes
- Inland fishery resources to support 700,000 tonnes of fish
- 15,000 km waterway network
- Ambitious productivity targets in place – maize production predicted to rise to 5 million tons a year by 2016, cassava production to increase to 45 million tons and rice to 1 million tons by 2016

2. The PAI Concept and rationale

Recognizing that over 90% of agricultural producers are smallholder farmers, the traditional approach to agriculture development in RDC has been to focus on the needs of the smallholder farmers (Ministère de l’Agriculture et Ministère du Développement Rural, 2010).
Since 1966, the Government of the DRC through its Ministry of Agriculture and Rural Development, and with the support of its development partners, including the World Bank, the African Development Bank, the European Union Commission, and several aid agencies from developed countries, have implemented numerous programs and projects designed to increase agriculture production, improve food security and reduce poverty. Despite these efforts, the per capita agricultural productivity index of the DRC has steadily declined between 1961 and 2011.

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b. *La Société d’Exploitation du Parc Agro Industriel de Bukanga Lonzo* which is responsible for crop and livestock production and processing inside the park.

c. *Le Marché International de Kinshasa* which is located at Maluku on the bank of the Congo River, and was given the task of commercializing all produce from the park and from anywhere else in the area.

The three companies ensure that all the steps of the agricultural value chains of interest can be managed and are aligned for greater productivity and efficiency.

5. Challenges and opportunities

i. Challenges

The PAI-BL is a public-private partnership where the Government of DRC has invested over USD 80 million to establish the capacity to produce food in order to reduce the importation of food and improve food security. 35% of this amount went to the construction of a dedicated power line to supply of 54MW of electricity to the site. The management of the initiative has been entrusted to a private operator specialized in agricultural production and trade. The Government has identified twenty other sites across the country where similar initiatives could be implemented. However, it is unlikely that the Government will have the resources required to develop all these sites. A strategy to attract private investors into these sites is therefore required.

Less than 10% of DRC’s 80 million ha of arable land are actually under cultivation. Finding large tracts of land to establish such parks is not a challenge but the funding required to develop the site may not be easy to assemble. Scaling down the size of such agro-industrial parks may result in enterprises that could be attractive even to the local private sector and would spread the initiative more evenly throughout the country.
ii. Opportunities

The commercialization of maize flour from the Parc Agro Industriel de Bukanga Lonzo in the city of Kinshasa has shown that consumers can make 30% savings compared to maize flour commonly found on the local market. It is well established that consumers in the lowest income bracket spend a high proportion of their income on food. Therefore, a 30% reduction in the cost of a staple food such as maize flour is bound to make a significant and positive impact on the food security of the poor in DRC. Interestingly, the PAI-BL has placed its retail outlets in the neighborhoods of the city of Kinshasa where the poorest city dwellers live: Masina, Ngaba, etc.

The PAI-BL has brought electricity, clean water and roads to an area where it would have taken many years before such infrastructure could be made available. As a result, the villagers living inside the PAI-BL have increased their acreage of planted cassava from a few hectares to over 200 ha. In a symbiotic relationship, the PAI-BL has decided to establish a cassava processing factory with the technical assistance of the CGIAR centers IITA and IFPRI. A benefit sharing mechanism between the villagers and the PAI-BL is under discussion to ensure a win-win situation.

The presence of the Marché International de Kinshasa means that not only the PAI-BL but all farmers in the vicinity have an outlet for their produce. Traditionally, the Congo River has been the most economical way of moving goods from inside DRC. Agricultural produce from as far as North Kivu travels by road to Kisangani where it gets loaded on a ship and taken to Kinshasa. Goods from Katanga and the Kasais travel by road or rail to Ilebo and from there down the Kasai River into the Congo River and onwards to Kinshasa. The location of the Marché International de Kinshasa means that crop, fisheries and livestock products can come from various parts of the DRC and be traded there for consumption by the 13 million people in Kinshasa and Brazzaville, or once the local demand is satisfied, be offered for export.

The villagers inside the PAI-BL have been the first to benefit from jobs as farm worker or machine operator. At full capacity, it is estimated that 11,000 jobs will have been created. Already the rural towns near the PAI-BL are showing signs of renewed development, with new homes being constructed. In time, these towns will benefit from access to electricity and clean water thanks to the presence of the PAI-BL.

6. Lessons learned and way forward

Nigeria’s SCPZ and DR Congo’s PAI programs are both promoting agro-industrial development but are following two different approaches. While the SCPZ has first carried out extensive master planning for at least six of its envisaged 18 sites, the PAI program in DRC has first moved to establish a proof of concept and to demonstrate the government commitment to the program. As other countries, e.g. Senegal, Ethiopia, Zambia, etc., implement their own programs, it would be wise to establish a mechanism for consultation and opportunities for learning from each other. It is therefore proposed to establish a platform to promote the transformation of African agriculture through the development of agro-industrial parks.
Objectives of the Platform

The Platform for Agriculture Transformation in Africa (PATA) will encourage the growth of sustainable agro-processing in Africa, promote public investment in basic infrastructure (road, energy, water) to support agricultural development, attract private investments, and facilitate exchange of information, expertise and cross-investments for greater regional trade. Its mission will consist of promoting agro-industrial development to achieve economic diversification, intensify job creation and reduce food imports while improving food security. Its goal is to contribute to bringing about a prosperous Africa feeding itself and the world.

Proposed structure

The Platform will be made up of a lean secretariat attached to a sponsoring development institution such as the African Development Bank, and of country focal points. The secretariat shall include three professional staff, including a Chief of Party, an economist/agribusiness specialist and a technology specialist. The country focal points shall consist of the key person in charge of agro-industrial development in the country. The Platform secretariat shall organize periodic meetings with potential investors and key policy makers with influence on agro-industrial development and commission studies of investment opportunities in agro-industries or needed infrastructure development. The country focal points shall refer to the Platform secretariat challenges, opportunities or success stories requiring supranational consideration.

At least one annual meeting shall bring together all the country focal points, the Platform secretariat, and key stakeholders from various countries and relevant institutions. The Platform shall report to the African Development Bank through the Department of Agriculture and to the countries through the country focal points.

Draft action plan

Activities to be undertaken by the platform include:
- Designing model agro-industrial parks targeting key commodities
- Carrying out market opportunity studies to guide decision making
- Informing policy formulation in favor of agro-industrialization, including compliance with international standards
- Disseminating guidelines for responsible large scale farming
- Assembling and disseminating relevant documentation (website, social media)
- Championing the case for African agro-industrial development through investment promotion events, road shows and reaching out to potential investors
**Budget**

An indicative budget for the functioning of the Platform is as follows:

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References

