



African Development Bank Group

Concept Note

**Technical workshop on
Structural Transformation of African Agricultural and Rural Spaces
(STAARS)**

December 11-12, 2017

**African Development Bank Headquarters Building,
Abidjan, Côte d'Ivoire**

1. Background

Africa is at a crossroads with unparalleled opportunities for sustained economic growth and structural transformation. The continent has achieved impressive economic performance over the past two decades, undergoing its longest period of economic growth since the 1960s. Africa is rapidly urbanizing. Modern information and communications technologies are increasingly becoming cornerstones of everyday lives, linking Africans with the global economy. The continent is also enjoying relative peace and stability than ever before, with fewer number of armed conflicts, coup d'états, and civil wars. These progresses kindled great hopes about the continent's development prospects, shifting the narratives from a "hopeless continent" to a "hopeful continent" and "Africa rising." However, Africa still lags behind other regions of the world. The continent's economic growth has not been translated into significant reduction in poverty, creation of enough "decent paying" jobs, and improved food security. Africa has also been facing headwinds from the recent fall in commodity prices and sluggish global economic growth, underscoring its vulnerability to external shocks.

The high and persistent level of poverty is intertwined with the structure of most African economies, characterised by low-productivity agricultural sector and weak industry and services sectors. The stylized fact is that countries that recorded faster rates of poverty reduction are those who realized rapid structural transformation, reallocating factors from low-productivity sector to high-productivity sector. Unfortunately, Africa's growth has mostly been devoid of structural transformation. Although there has been some shift in employment from agriculture to other sectors, much of the shift has been to the informal services sector wherein productivity remains equally low, wages are meagre, and working conditions are poor.

In a continent where 90 percent of the population depends on agriculture, transforming the economy is tangled with transforming the agricultural sector. Harnessing the continent's agricultural potential however depends on improving its productivity and fostering rural development. Although productivity has improved over the past decades, it was not rapid enough to warrant such a transformation and, despite its vast agricultural potential, Africa continues to be a net food importer, spending US\$35 billion a year on imported food. The consensus therefore is that agriculture is well positioned to kick-start the transformational process, improving livelihoods, creating employment, and raising incomes.

Efforts towards promoting agricultural transformation in Africa have been underway by African countries and international development institutions. The African Development Bank (AfDB) has been at the forefront of initiatives to transform Africa's agriculture. The Bank's "Feed Africa" High 5 is a ten-year US\$24 billion flagship program, envisioning increased support to millions of farmers in

Africa and help them transition from small-scale subsistence farming to agribusiness. The new Agriculture, Social and Human Development (AHVP) Complex of the Bank has been particularly involved in supporting and funding agricultural projects in RMCs through the “Feed Africa” Strategy. The “Jobs for Youth in Africa” (2016-2025) is another milestone strategy, aimed at creating decent jobs for African youth, in particular for those involved in agriculture. Furthermore, this year’s African Development Report (ADR) will discuss Africa’s agriculture as a lucrative business and not as a poverty-reducing activity.

However, the Bank’s agricultural activities not only involve financing agricultural projects but also addressing existing knowledge gaps on how best to achieve agricultural transformation. As a knowledge broker, the bank acknowledges that business as usual would not bring the desired level of agricultural transformation and that access to agricultural knowledge is as important as access to agricultural finance. In that regard, the Macroeconomics Policy, Forecasting and Research Department (ECMR), within the Chief Economist, Vice Presidency for Economic Governance and Knowledge Management (ECVP) plays a critical role in generating and disseminating Bank’s demand-driven and policy-relevant analytical work and knowledge products.

It is against this background that the ECMR is organizing a Structural Transformation of African Agriculture and Rural Spaces (STAARS) Technical Workshop on 11th and 12th December 2017 at the AfDB Headquarters in Abidjan, Côte d’Ivoire. The workshop is a follow-up to the inaugural STAARS Conference held in December 2015, in Addis Ababa, Ethiopia, and aimed at discussing recent developments in agricultural research in Africa and their policy implications. The technical workshop will bring together African STAARS Research Fellows, emerging researchers within the broader STAARS project and from other institutions around the world. The bank’s operational departments and agricultural policymakers will be invited to take part in the workshop.

2. The STAARS Project

The STAARS project is the Bank’s multiyear (2014-2019) knowledge initiative couched in the spirit of the “Feed Africa” High 5. Phase I of the project was initiated with financing support from the Korean Trust Fund through the KOAFEC, which was renewed and scaled up for the current Phase II. The project aims at closing the knowledge gap on research related to structural transformation of African agriculture and rural spaces through policy-relevant research, capacity building of young African researchers, and dissemination of knowledge through technical and non-technical publications, conferences and workshops, and high-level roundtable

policy dialogues. This initiative builds on an earlier work on the “Myths and Facts” project that focused on challenging conventional evidence relating to Africa’s agricultural sector. The STAARS project pushes the frontier of agricultural research further and seeks to improve our understanding of the sector through rigorous research, informing policymakers and implementation of effective agricultural policies.

The STAARS project examines policy questions and the bank’s operational and strategic issues surrounding Africa’s agricultural transformation through economic research, strong capacity building, and evidence-based agricultural policy dialogue. With the emphasis of the Hi5s on structural transformation of agriculture in Africa, the contribution of the STAARS project to the Bank’s operations, overall knowledge generation, capacity building, and policy dialogue activities cannot be overstated. Entrenching the bank’s policy issues surrounding the Hi5s as well the broader agricultural and rural development agendas into the STAARS platform not only elevates the Bank’s profile as a premier knowledge broker in the continent but also enriches its operational activities and decision-making processes with timely and policy-relevant evidence on Africa’s agriculture. The Bank is extensively using the knowledge products generated through the STAARS project to produce working papers, economic and policy briefs, and talking points for high-level events, such as the 2016 KOAFEC Ministerial Conference held in Seoul, South Korea or the President’s World Food Prize Lecture this month.

Research under the STAARS project provides policymakers and researchers with a broad range of empirical evidence on microeconomic aspects of Africa’s agriculture such as technology adoption and diffusion in agricultural value chains; agriculture, food security and health linkages; risk management, financial access, and promotion of sustainable and inclusive growth; poverty dynamics and resilience; youth and women in agricultural and rural transformation; and rural-urban linkages and off-farm employment. The findings are expected to foster better understanding of the underlying causes of the underperformance in agricultural sector and thereby come up with policy recommendations.

The AfDB supported the inaugural 2015 STAARS Conference that attracted high-quality and policy-relevant research papers from around the world, with selected papers are currently under review for Special Issues in two peer-reviewed international journals, namely, *Agricultural Economics* and *World Development*. Furthermore, researchers within the broader STAARS project completed several high-quality studies which are published as AfDB Working Papers Series, Economic Briefs, and are currently being reviewed at several peer-reviewed journals. These studies contribute to the literature and our understanding of the structure, the challenges, and the appropriate interventions needed to transform Africa’s

agricultural sector and the lives of people in rural areas. Moreover, under the emblem of capacity building, several African researchers have received mentorship through the project's fellows component on the application of state-of-the-art methods using microeconomic household surveys and the production of high-quality publishable research papers. The fellows have been hosted by renowned researchers at Cornell University.

3. Workshop format and expected outcome

The December 2017 STAARS Technical Workshop is a continuation of the STAARS tradition in enhancing knowledge generation and dissemination. This technical workshop, organized by ECMR, with active support from the AHVP Complex, aims at bringing together the broader STAARS community to present their recent research findings and discuss the policy implications of this research transformation of Africa's agriculture. It therefore offers a unique opportunity for researchers to interact with and policymakers and agricultural experts (within and outside the Bank). The workshop will take the format of plenary sessions to maximize interactions between participants and foster in-depth policy discussion.

Expected outcomes of the technical workshop

The expected outcomes from the STAARS technical workshop include, inter alia:

- Dissemination of new evidence and knowledge generated through the STAARS project on progress, opportunities, and challenges of transforming Africa's agriculture,
- Practical policy recommendations and dialogue on Africa's agricultural transformation,
- Discussion of progress and success-stories on agricultural transformation in Africa
- Enhanced awareness of participants on the role of agriculture in Africa's development and structural transformation,
- Capacity building of emerging African researchers working in the agricultural sector and forging alliances with practitioners and experienced researchers in the field,
- Increased visibility of the STAARS project and the Bank's effort in transforming the agricultural sector in Africa.

Proposed Format for the Technical Workshop

The technical workshop will consist of:

- **Keynote Address**—an invited high-level delegate will deliver a keynote address. **Paper presentations**—invited researchers from the STAARS community around the world will present their findings on Africa’s agriculture and discuss the work of their peers,
- **Poster session**—current African STAARS research fellows present their work
- **Technical Discussion**—invited practitioners, academia, government policymakers, and AfDB senior management will discuss the most appropriate ways to foster structural transformation and thereby improve the performance of Africa’s agriculture.

During the technical workshop, 15-16 invited research papers will be presented. Given that these are invited and completed studies, and in some cases, already published, presenters will be encouraged to tailor their presentations for non-technical audiences, focusing more on their findings and policy implications. Moreover, the panel roundtable will be held comprising 6–7 panellists with proven expertise on pertinent issues related to Africa’s agriculture.

Workshop Participants

The main target participants to the workshop include:

- African STAARS research fellows,
- STAARS researchers,
- AfDB researchers,
- AfDB operations departments
- Government representatives from relevant ministries, and
- Others from inside and outside the AfDB and African commentators.

Venue and Dates

This two-day workshop will be held at the AfDB Headquarters Building in Abidjan, on December 11-12, 2017.