



Poverty, Hunger, and Agriculture in Sub-Saharan Africa

Opportunities and Challenges



by: Prabhu Pingali, Kostas Stamoulis, and Gustavo Anríquez

WDR 2008: What it means.



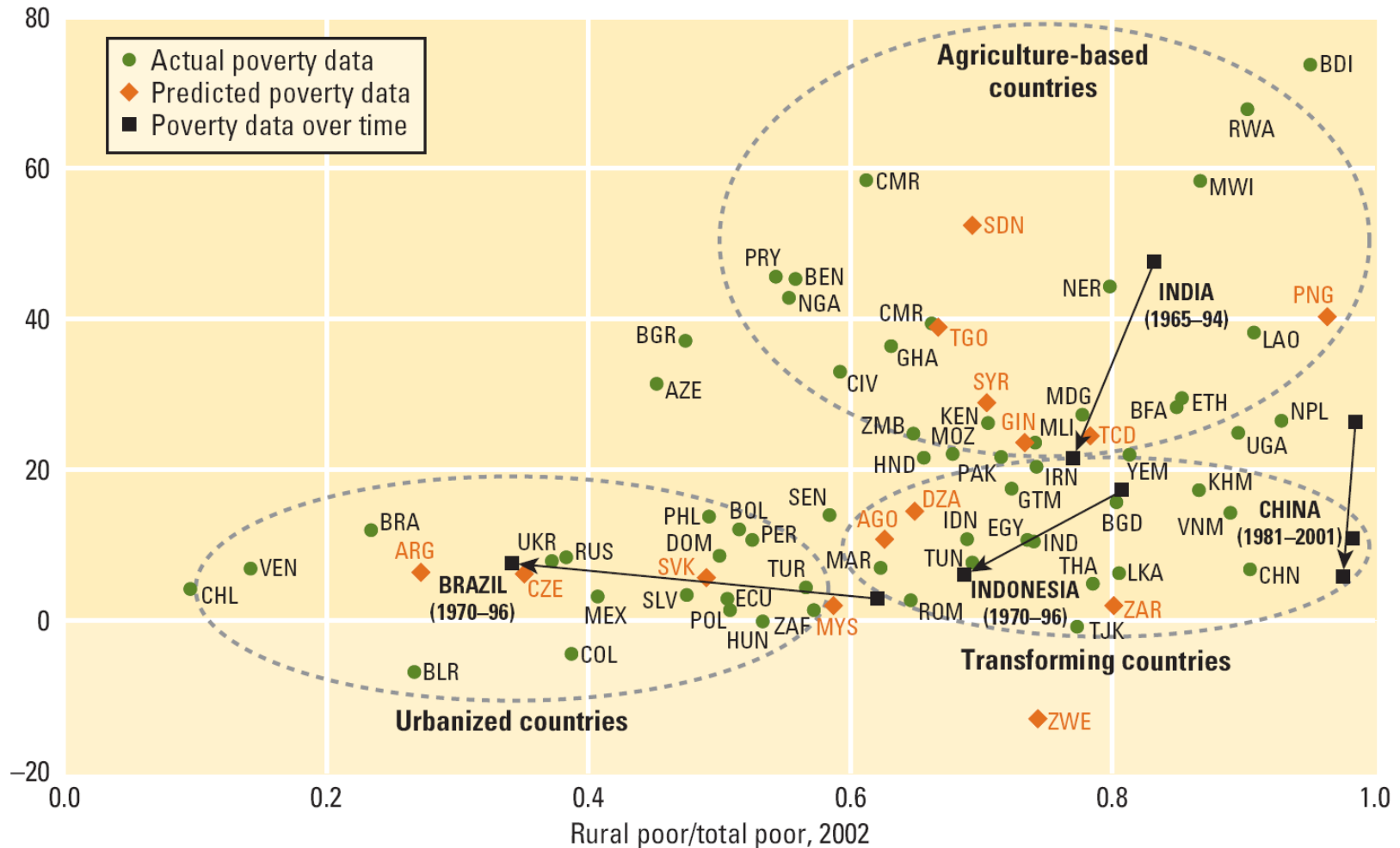
- World Bank after 25 years looks again at agriculture in its flagship publication.
- It reflects the “***change of heart***” by a major funding institution which will hopefully be translated in much greater funding for agriculture and rural poverty than in the past
- It contributes to the ***increased awareness*** of the problems facing agriculture and rural poverty today and in the future.
- It constitutes a powerful ***advocacy tool*** for the funding of agricultural and rural development projects.
- It ***opens the debate*** on agriculture, rural development, and poverty reduction.

Country Heterogeneity



Figure 1.3 Agriculture-based, transforming, and urbanized countries constitute agriculture's three worlds

Agriculture's contribution to growth, 1990–2005, %



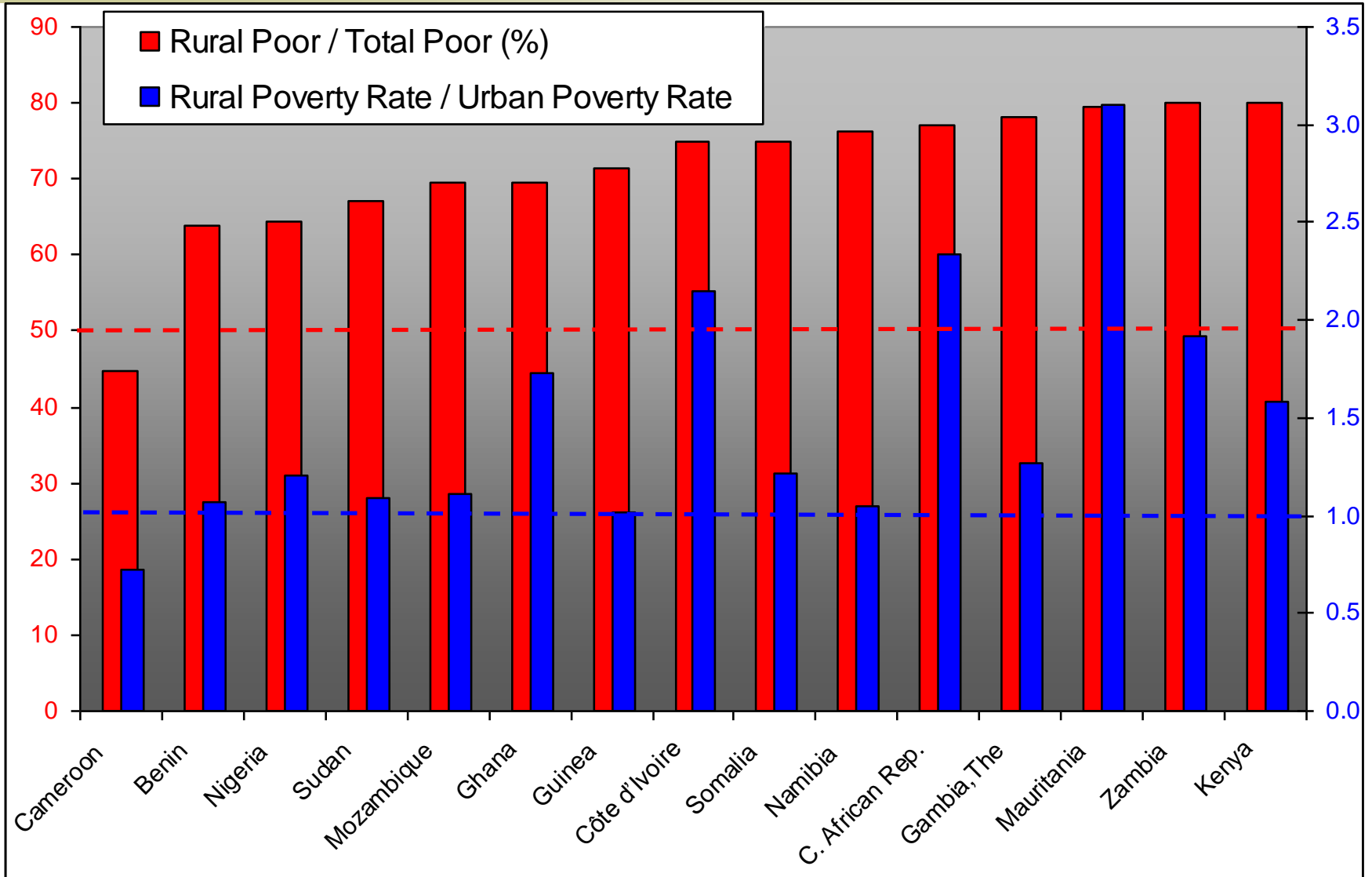
Africa...Still Agricultural and Rural



- Still today agricultural value added accounts on average for $\frac{1}{4}$ of national GDP in Sub-Saharan Africa (SSA); and the sector employs 56% of the labor force.
- More than 65% of the population is rural.
- Poverty is predominantly rural, both in raw population numbers, as well as in the relative poverty rate.



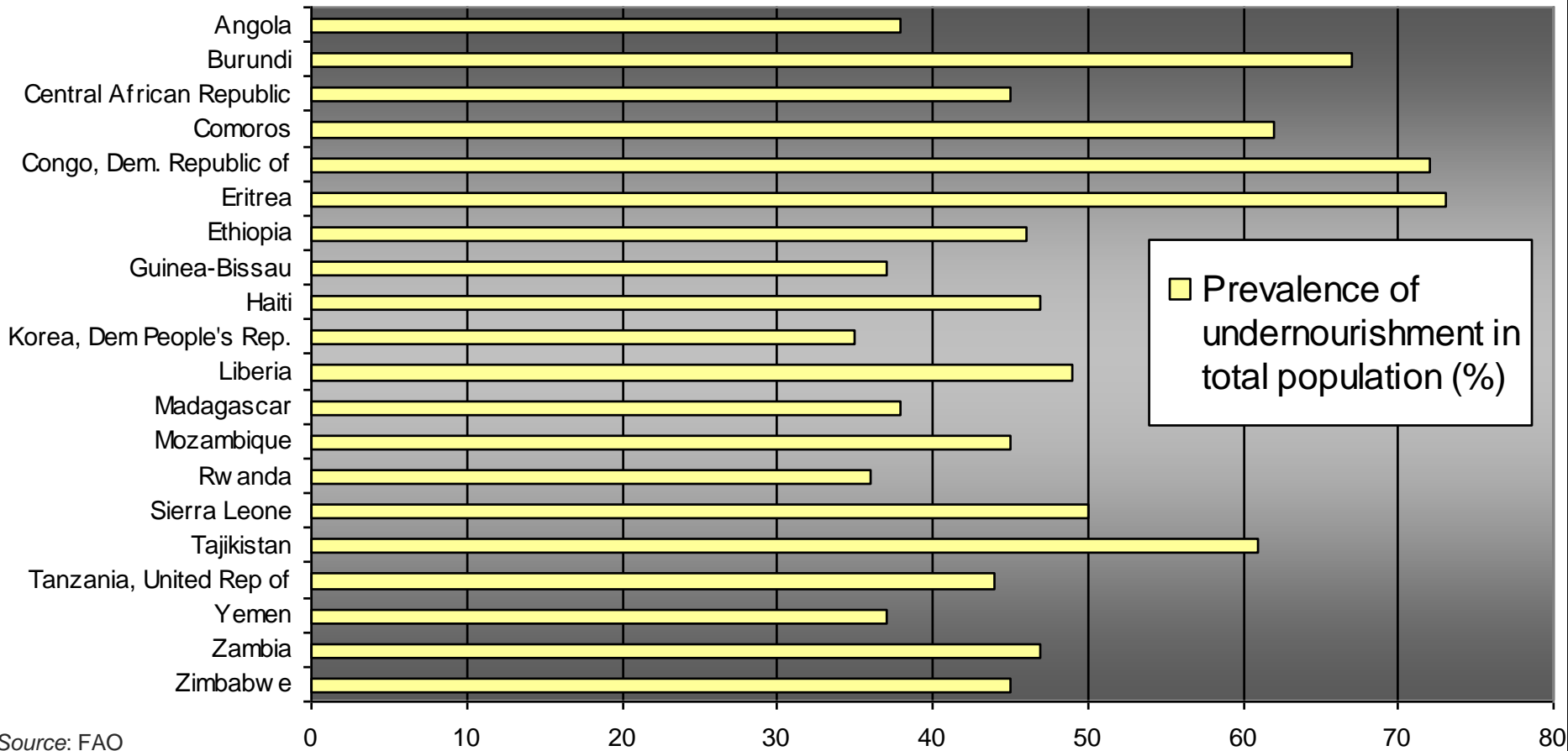
Poverty in SSA



Widespread Hunger in SSA



Countries with High Prevalence of Undernourishment (> 35%)

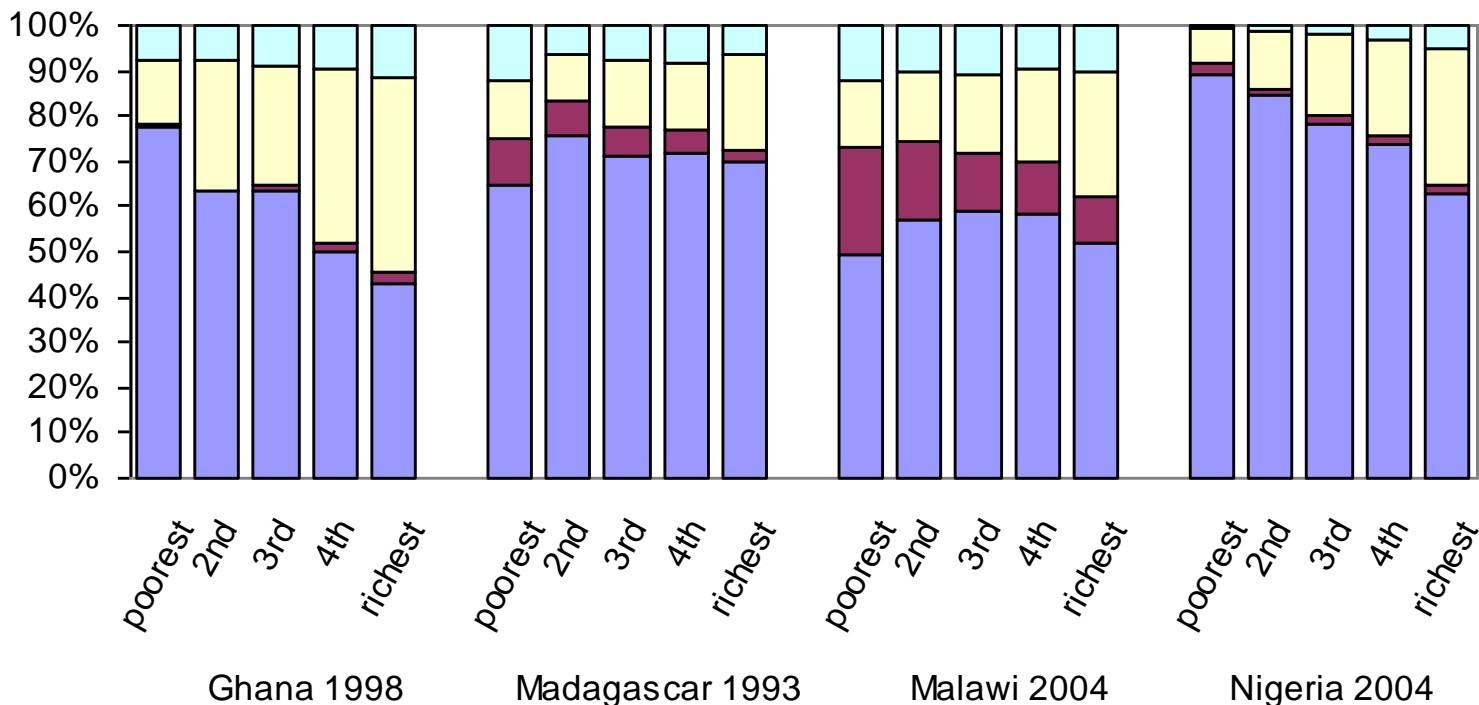


Heterogeneity across rural households



Sources of income across expenditure quintiles

Income Share



■ On farm income
 ■ Agricultural wage labor
 ■ Non-agricultural income
 ■ Transfers & other

[There is progress...]

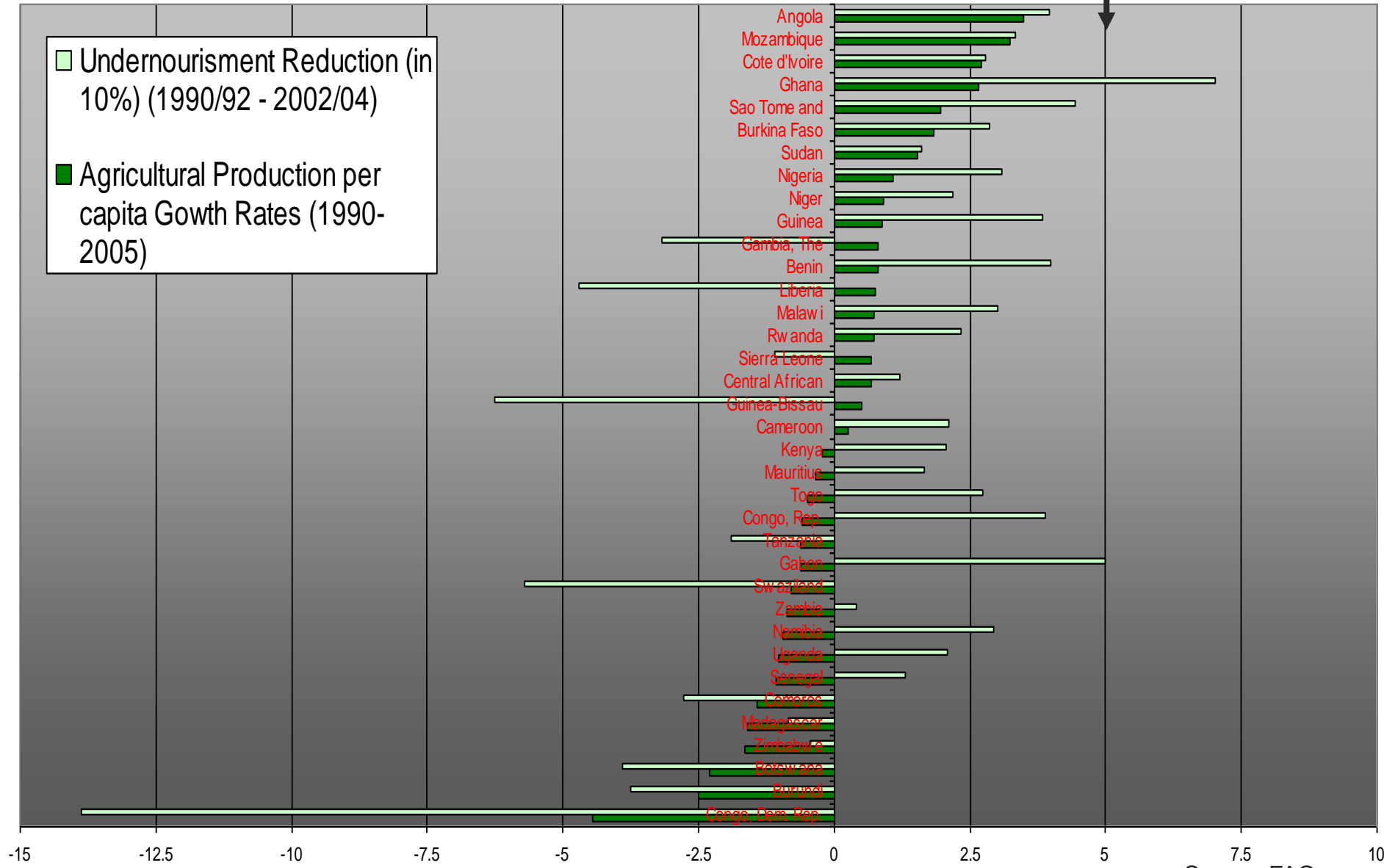


- The share of undernourished people in the region's population fell from 35% (1990/92 MDG base) to 32% (2001/03), after reaching 36% in the mid nineties.
- Countries like Ghana and probably Gabon have already met MDG goal on undernourishment.
- Most success stories correlated with agricultural production growth.

Agriculture and Hunger

MDG1 Line

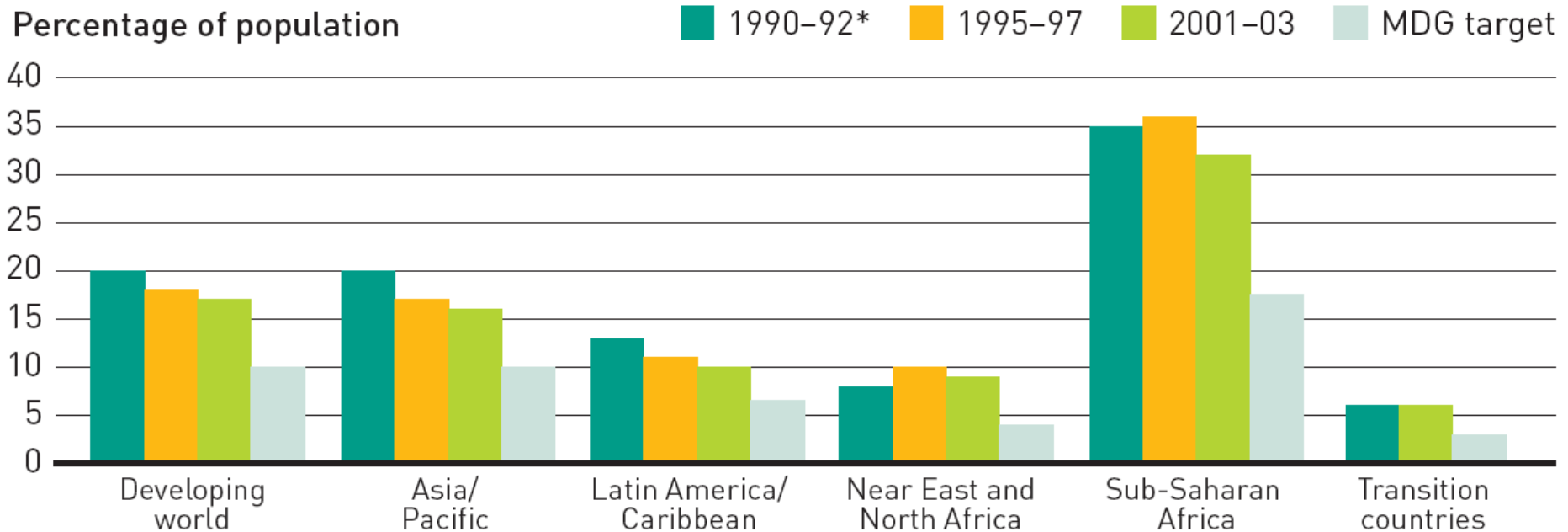
█ Undernourishment Reduction (in 10%) (1990/92 - 2002/04)
█ Agricultural Production per capita Growth Rates (1990-2005)



But progress is slow...



Proportion of undernourished people and the Millennium Development Goal target



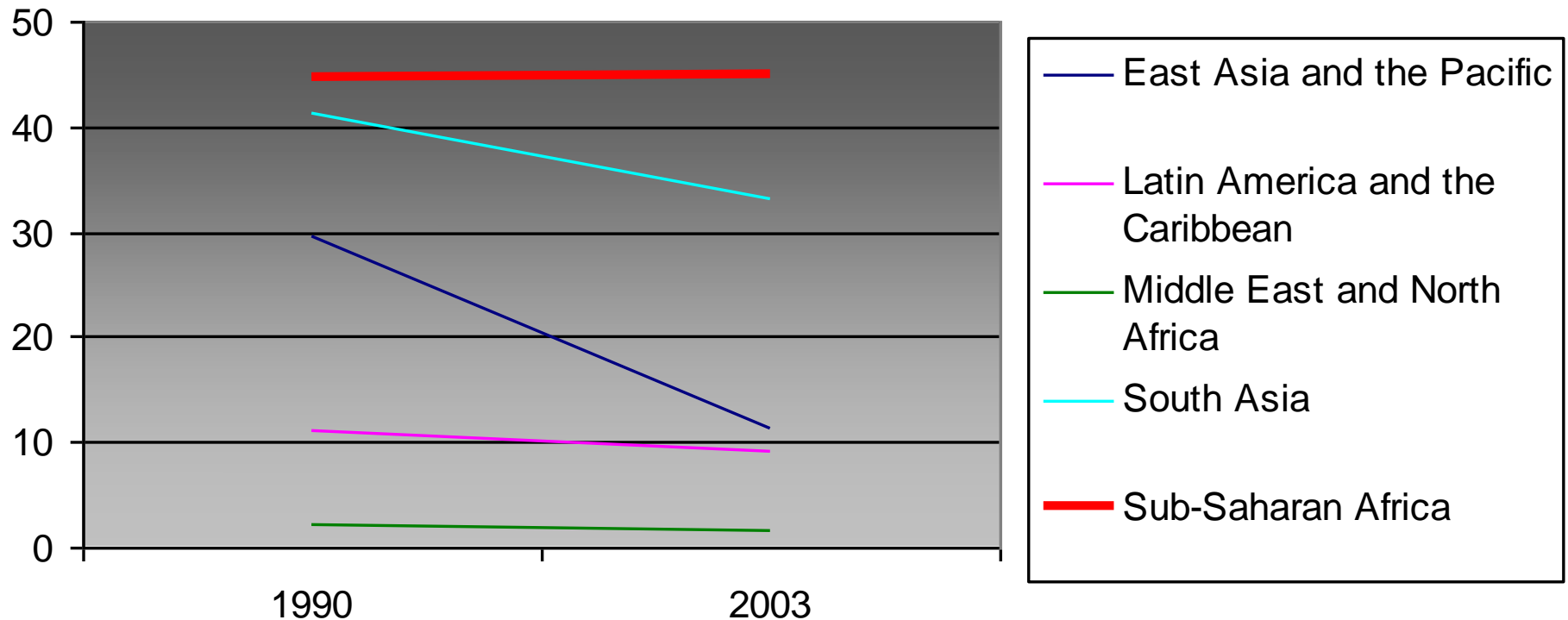
* For the transition countries: 1993-95

Source: FAO

No progress in dollar poverty...



Population living on less than \$1 per day (%)



Source: World Bank

[Main message]

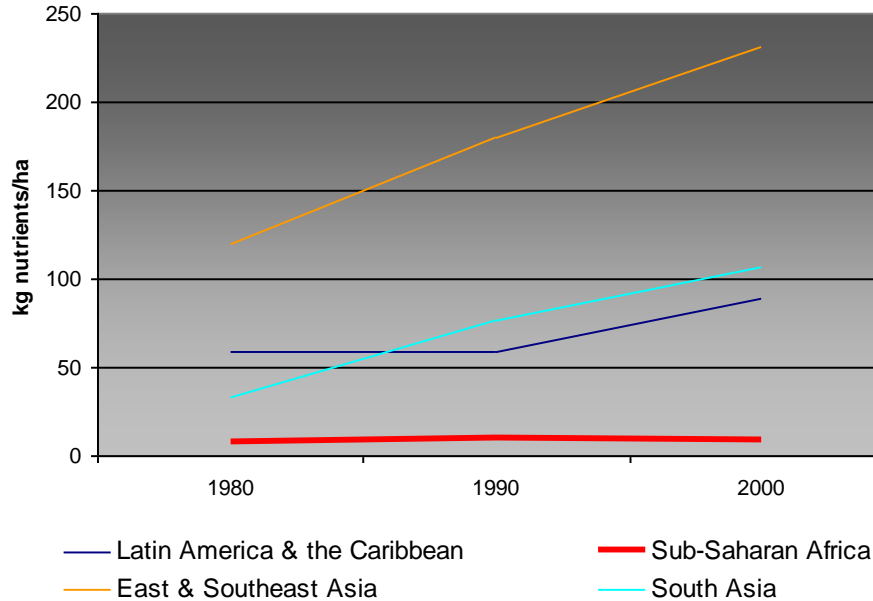


- In agricultural-based Sub-Saharan Africa ***agriculture is the key*** sector for:
 1. overall growth
 2. poverty reduction
 3. hunger alleviation

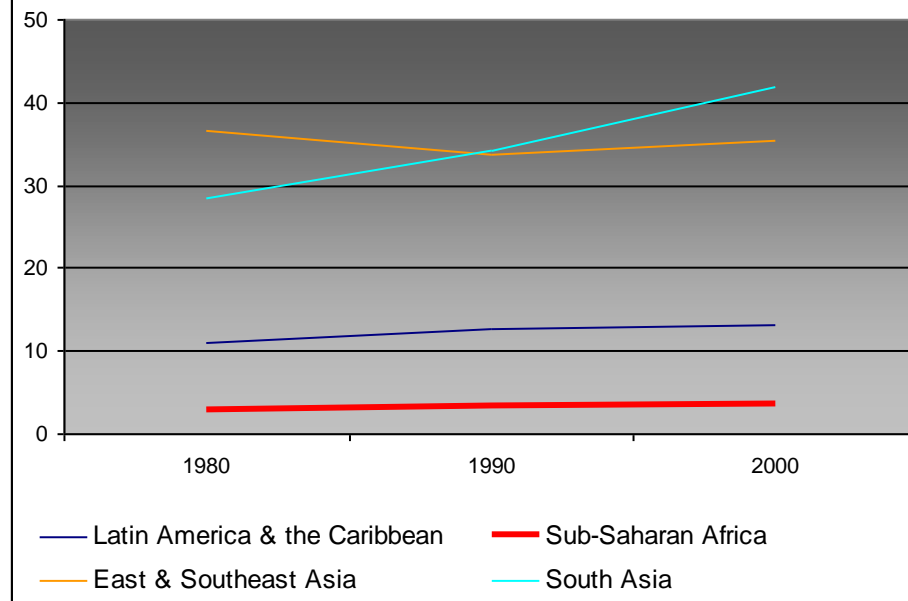
Traditional Constraints affecting SSA Agriculture



Fertilizer Consumption to Arable Land Ratio



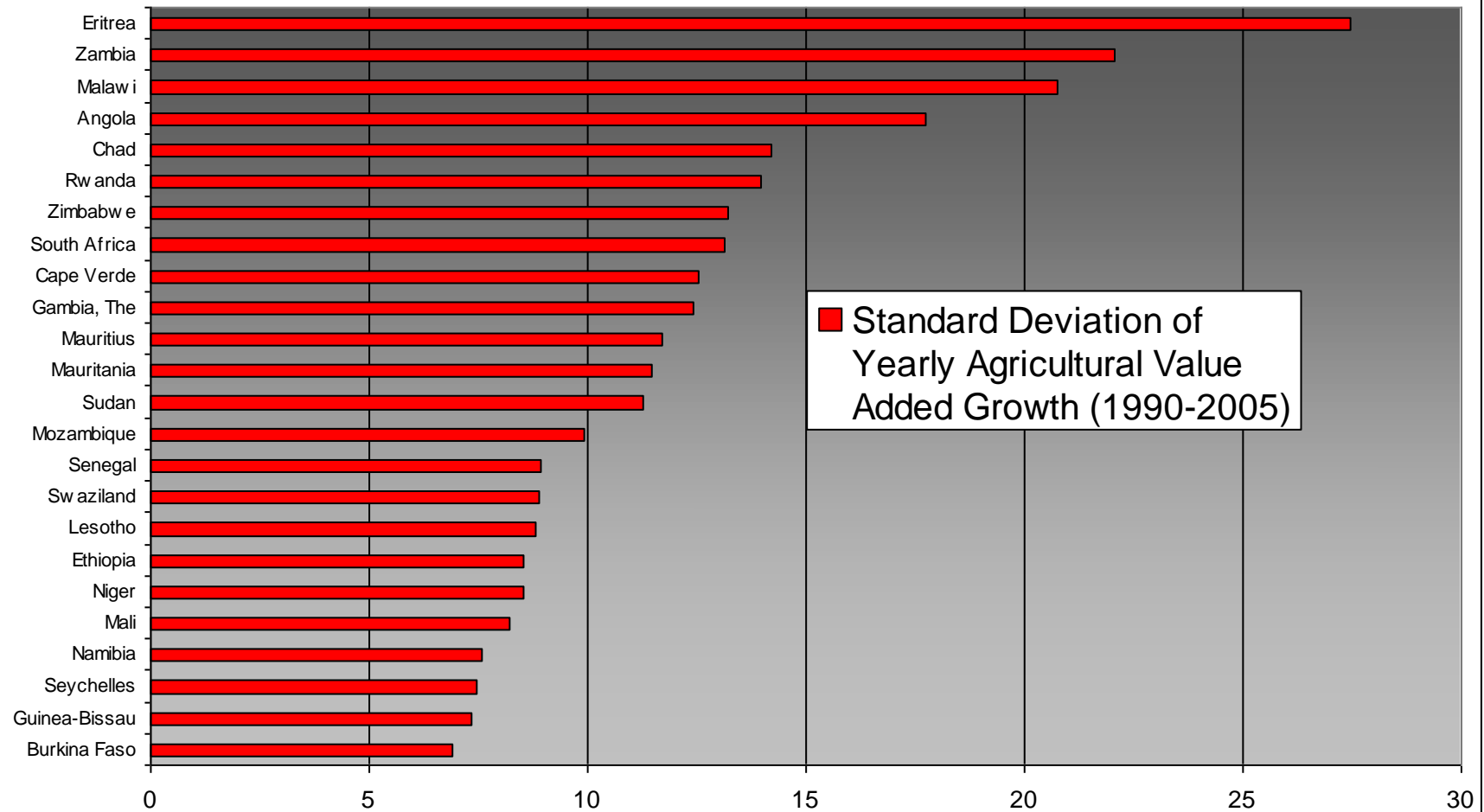
Irrigated Arable Land (%)



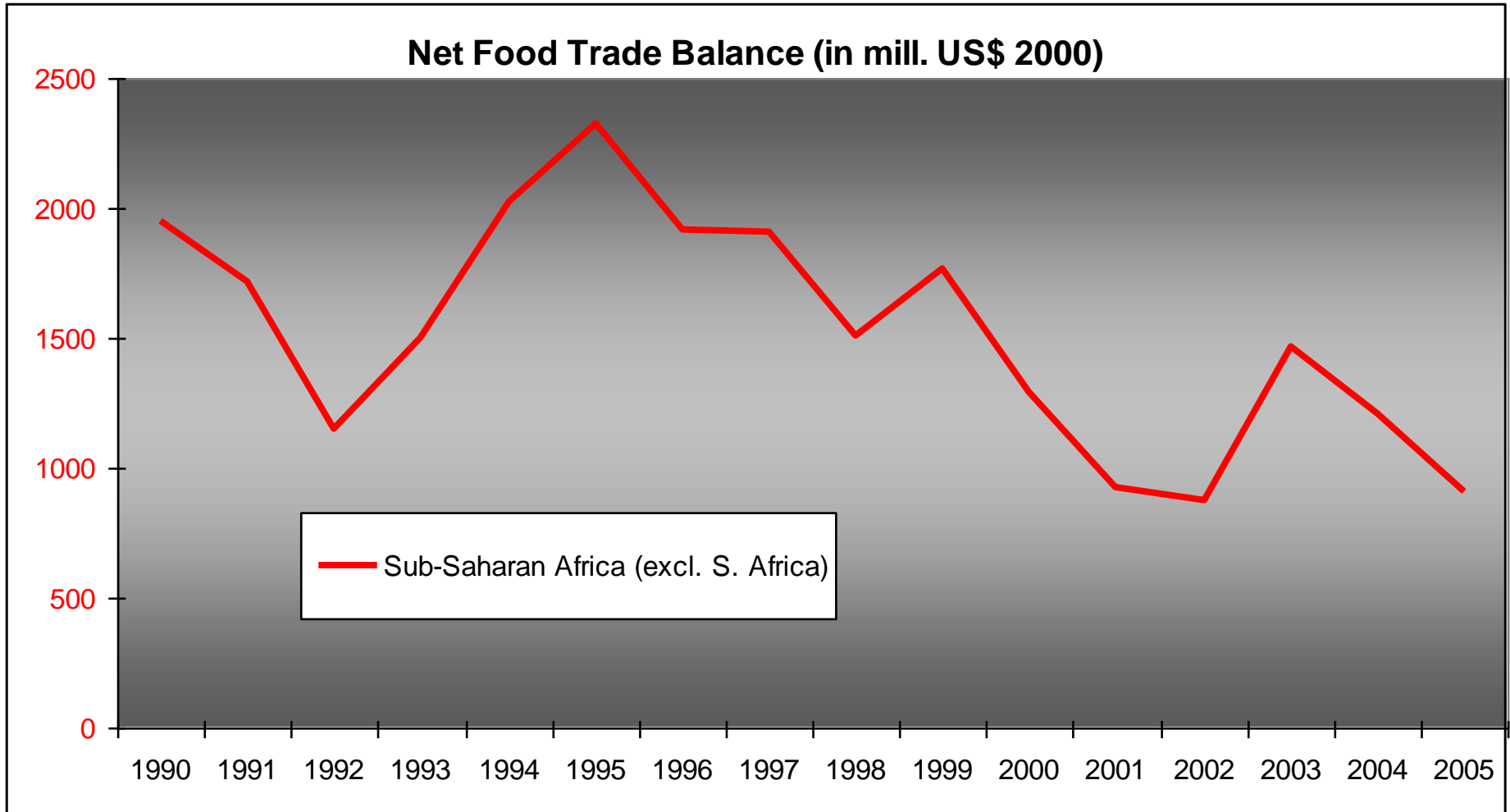
Constraints result in...



Variability of Agriculture



Constraints result in...



And there are new emerging challenges...



- Rapid Urbanization
- Integration into global markets
- Climate change
- Biofuels and rising food prices

Signs of a brighter future



- Several countries are making progress
- Growing peace and improved governance
- Renewed commitment to agriculture at national level (i.e. NEPAD, CAADP and Maputo Declaration)
- Turnaround in ODAs for African agriculture.
- Increased public interest on getting African agriculture moving (charities, aid organizations, G8, NGOs, etc.)

Agenda for Moving Forward



- A coherent cross-sectoral policy agenda
- Delivering on external assistance commitments / donor coordination
- Delivering on the Maputo declaration and investing along the 4 pillars of CAADP
- A twin-track approach