

Africa remains hungry despite \$3billion annual food aid and \$33 billion on food imports, says ECA

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Abuja 10 March 2010 (ECA) - Despite Africa's annual food aid of \$3 billion and \$33 billion in food imports, about 265 million of the world's 915 million undernourished people are on the continent, leaving one out of every three African people chronically hungry, the Director of Food Security and Sustainable Development of the Economic Commission for Africa (ECA), Josue Dione, said in Abuja today.

Addressing the plenary session of African heads of state at the conference on agribusiness and agro-industry which ended today in the Nigerian capital, on behalf of the Executive Secretary of the ECA, Abdoulie Janneh, Dione said much of the \$33 billion Africa spends to import food could be better diverted to domestic production for regional and global trade, thereby contributing to poverty reduction and repositioning Africa in the global economy.

"African agriculture is thirsty as less than 4 percent of the total arable land is irrigated compared to 33 percent in Asia and the Pacific and 29 percent in the Middle East. African agriculture is hungry as it receives only 14.6 kilograms of fertilizers per hectare, against 114.3 kilograms per hectare for all developing countries," Dione said.

Stating that Africa did not do better at the global level, Dione said the continent's share in world agricultural trade declined from 15 percent in the 1960s to 5.4 percent in the 1980s and 3.2 percent in 2006, while intra-Africa trade represents barely 10 percent of Africa's total agriculture trade

This poor performance in the face of considerable unexploited potential, is a symptom of a major structural problem facing agriculture, said Dione.

He said Africa's small share in regional and global agricultural trade is strongly associated with the fact that world agricultural trade is no longer dominated by bulk commodities.

"Indeed, significant part of global agro-food trade has moved downstream along the value chains, and thus become less dependent purely on natural-resource endowment," Dione said.

Yet, moving Africa's food and agriculture system towards processed, higher value-added products has proved more difficult for the continent than for other developing countries.

Dione said while Africa is currently suffering from a competitive disadvantage in agroprocessing, better policies can help solve the problem through the improvement of the business environment and the creation of the conditions necessary for higher private investment in agribusiness and agro-industries.

He said this was why ECA had embarked on advocating for the development of regional value chains for selected agricultural commodities that were specified at the 2006 AU Summit in Abuja.

In this way, he said, Africa will devote more resources to its domestic production. "Developing agriculture for broad-based economic growth, food security and poverty reduction in Africa now requires an integrated approach to investing in improving productivity and efficiency at all stages of the commodity value chains, from research and development, to input markets, farm-level production, processing, storage, handling, transport, distribution to the final consumer," Dione said.

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