



The Rise of Medium-Scale Farms in Africa

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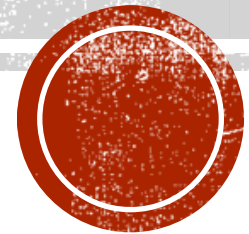
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RISE OF MEDIUM-SCALE FARMS IN AFRICA



EMERGING EVIDENCE

1. Major changes in farm size distributions
2. Rise of medium-scale farms
3. Mainly urban-based people and influential rural people
4. Emerging land markets allocating land to those with wealth and political connections
5. Very small fraction of small-scale farmers able to expand into great scales of production
6. Grain marketing systems are changing as MS farms becoming more important



EVIDENCE OF MEDIUM-SCALE FARMERS

Ghana	Number of farms		% growth in number of farms	% of total cultivated area	
	1992	2005		1992	2005
0-2 ha	1,458,540	1,725,024	18.3	25.1	12.5
2-5 ha	578,890	957,722	65.4	35.6	24.1
5-10 ha	116,800	256,620	119.7	17.2	14.6
10-20 ha	38,690	110,076	184.5	11.0	12.0
20-100 ha	18,980	46,143	143.1	11.1	11.7
>100 ha	--	6,958	388.6*	--	25.0
Total	2,211,900	3,102,543		100	100

} **38.3%**

Source: Ghana Living Standards Surveys



EVIDENCE OF MEDIUM-SCALE FARMERS

Zambia	Number of farms		% growth in number of farms	% of total cultivated area	
	2001	2012		2001	2012
0 – 2 ha	638,118	748,771	17.3	34.1	16.2
2 – 5 ha	159,039	418,544	163.2	45	31.7
5 – 10 ha	20,832	165,129	692.6	14.3	25.0
10 – 20 ha	2,352	53,454	2272.7	6.6	15.0
20 – 100 ha	--	13,839	53.3**	--	12.1
Total	820,341	1,399,737		100	100

52.1%

Source: Zambia MAL Crop Forecast Surveys, 2001 and 2012



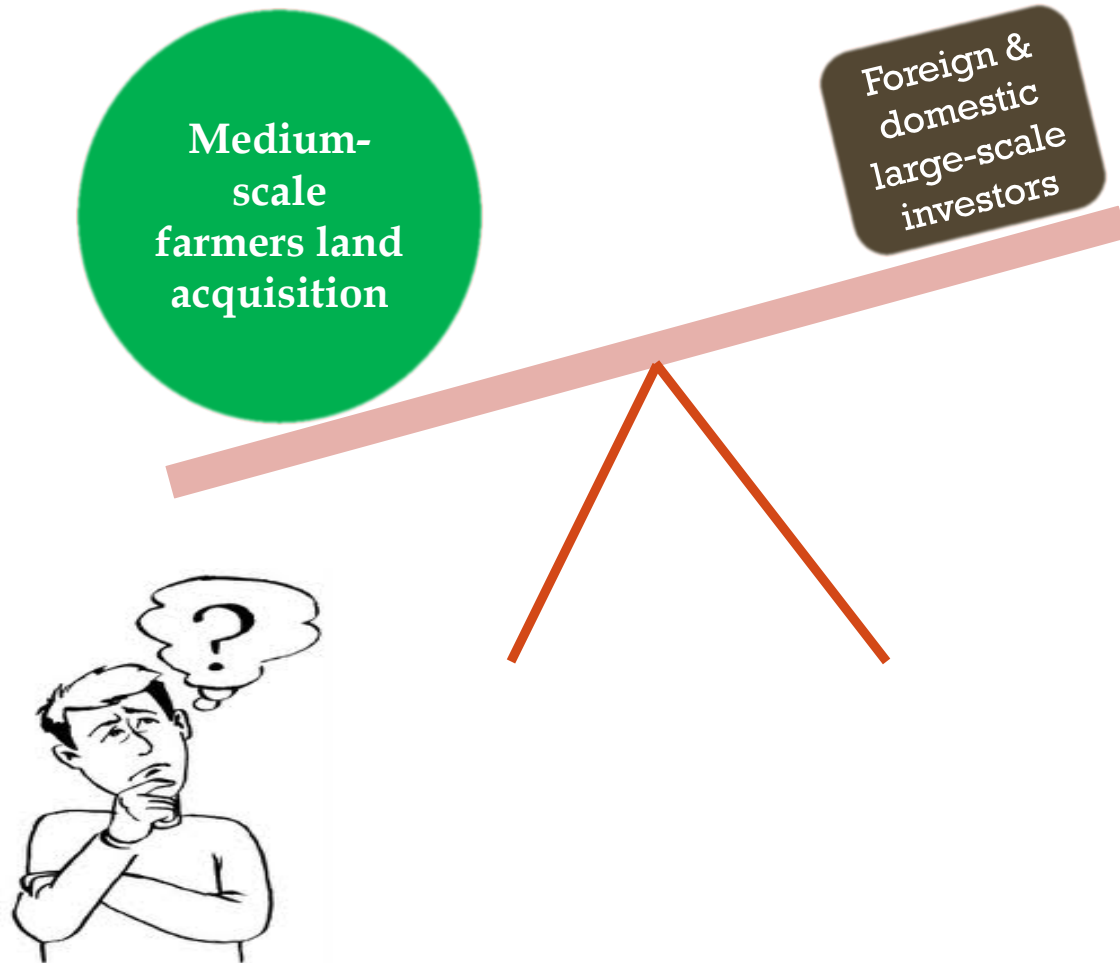
EVIDENCE OF MEDIUM-SCALE FARMERS

Kenya	Number of farms		% growth in number of farms	% of total cultivated area	
	1994	2006		1994	2006
0 – 2 ha	1,692,343	2,640,020	56	29.2	46.4
2 – 5 ha	525,363	332,011	-36.8	32.3	23.5
5 – 10 ha	93,871	17,451	-81.4	21.4	2.1
> 10 ha	92,498	19,493	-78.9***	24.5	28
Total	2,404,075	3,008,975		100	100

Average Landholding Size:
1994: 13 ha
2006: 31 ha

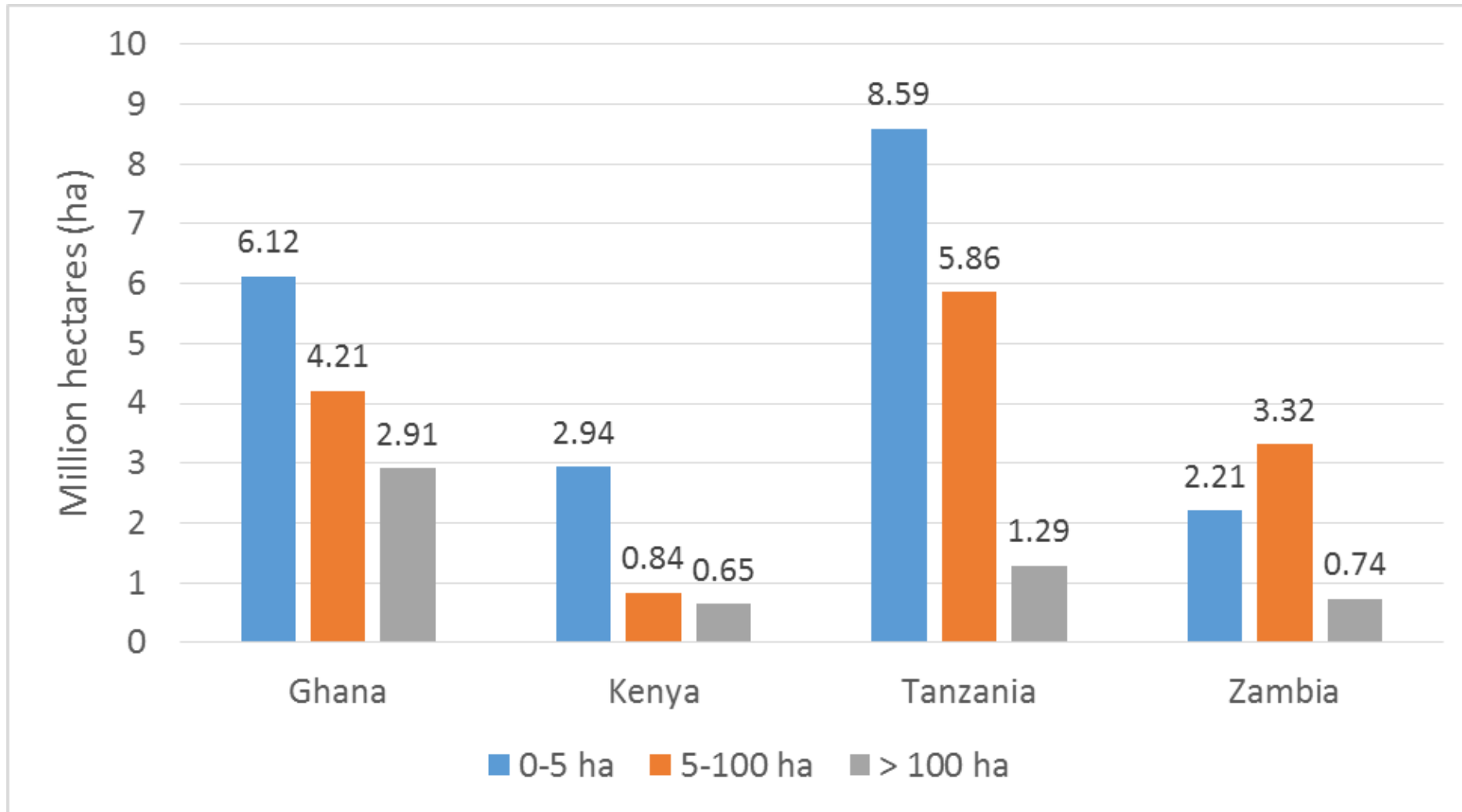


RISE OF THE MEDIUM-SCALE FARMER



	Large scale	Medium -scale (5-100 ha)	Small-scale (0-5 ha)	Potentially available cropland remaining
	Millions of hectares			
Ghana	2.91	4.21	6.12	3.56
Kenya	0.65	0.84	2.94	1.01
Zambia	0.74	3.32	2.21	3.35

AREA OWNED/CONTROLLED BY SMALL-SCALE (0-5 HA), MEDIUM-SCALE (5-100 HA) AND LARGE-SCALE (>100 HA) FARM HOLDINGS

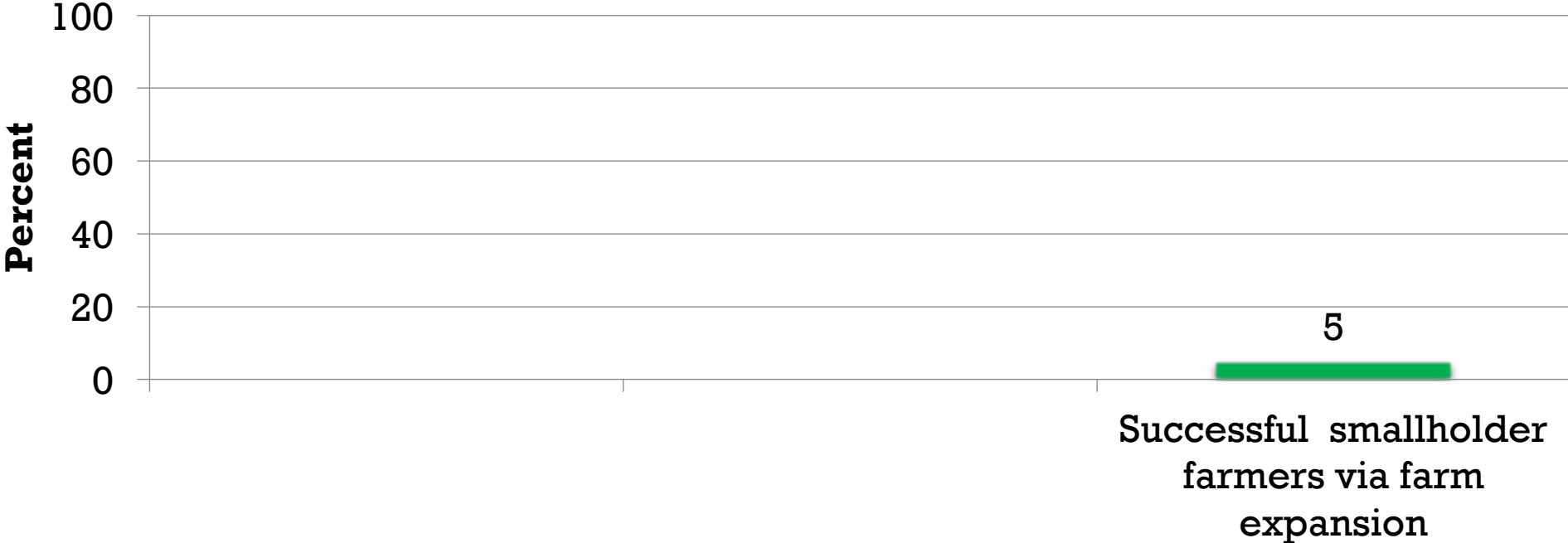


Characteristics of the “emergent farmers”



RISE OF THE MEDIUM-SCALE FARMERS

Three sub-categories of medium scale farmers

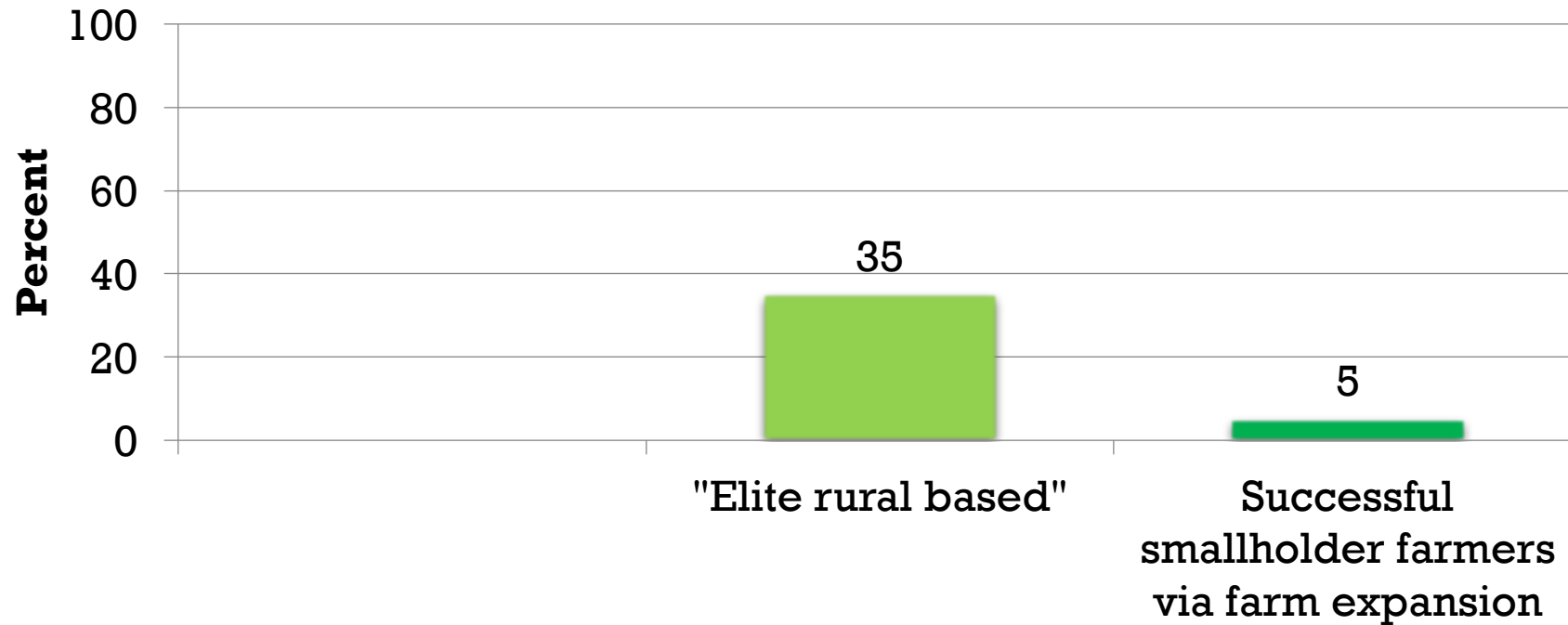


Estimates from three countries Zambia, Kenya and Southern Ghana



RISE OF THE MEDIUM-SCALE FARMERS

Three sub-categories of medium scale farmers

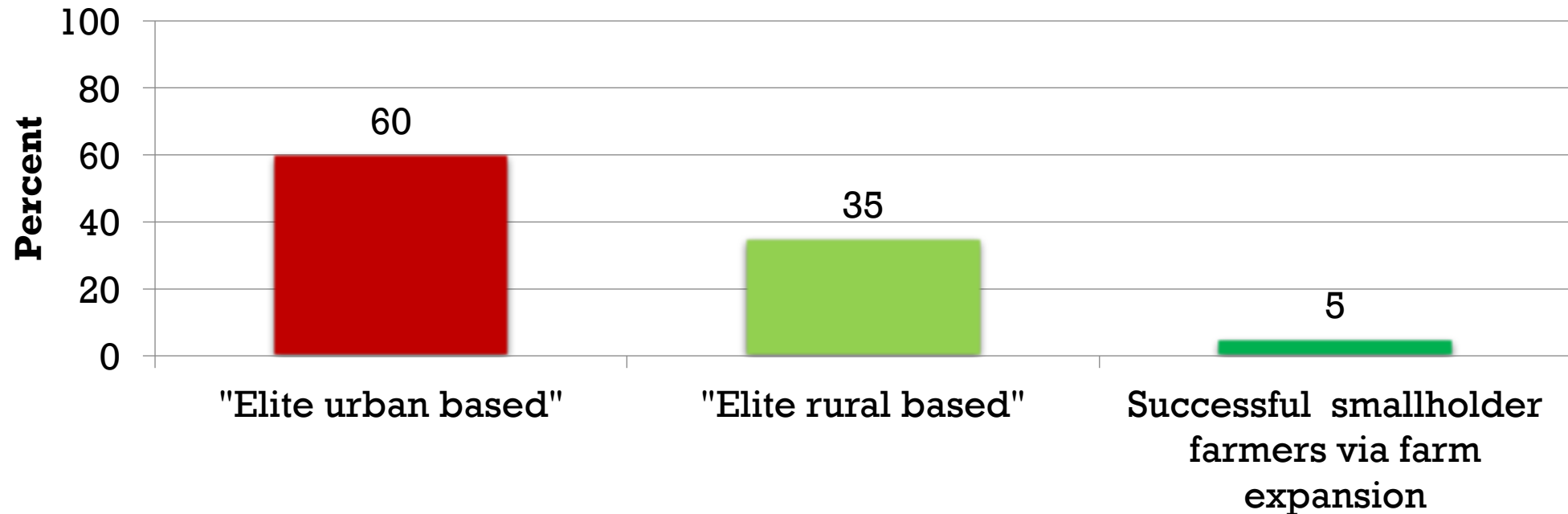


Estimates from three countries Zambia, Kenya and Southern Ghana



RISE OF THE MEDIUM-SCALE FARMERS

Three sub-categories of medium scale farmers



Estimates from three countries Zambia, Kenya and Southern Ghana



TYPE 1A: INVESTOR FARMER

	Mode of entry into medium-scale farming status	
	----- Zambia -----	----- Kenya -----
	Acquisition of land from non-farm employment (n=164)	Acquisition of land from non-farm employment (n=180)
% of cases	58	60
% men	91.4	80
Year of birth	1960	1947
Years of education of head	11	12.7
Have held a job other than as a farmer (%)	100	83.3
Formerly /currently employed by the public sector (%)	59.6	56.7
Current landholding size (ha)	74.9	50.1
% of land currently under cultivation	24.7	46.6
Decade when land was acquired		
1969 or earlier	1.1	6
1970-79	5.1	18
1980-89	7.4	20
1990-99	23.8	32
2000 or later	63.4	25



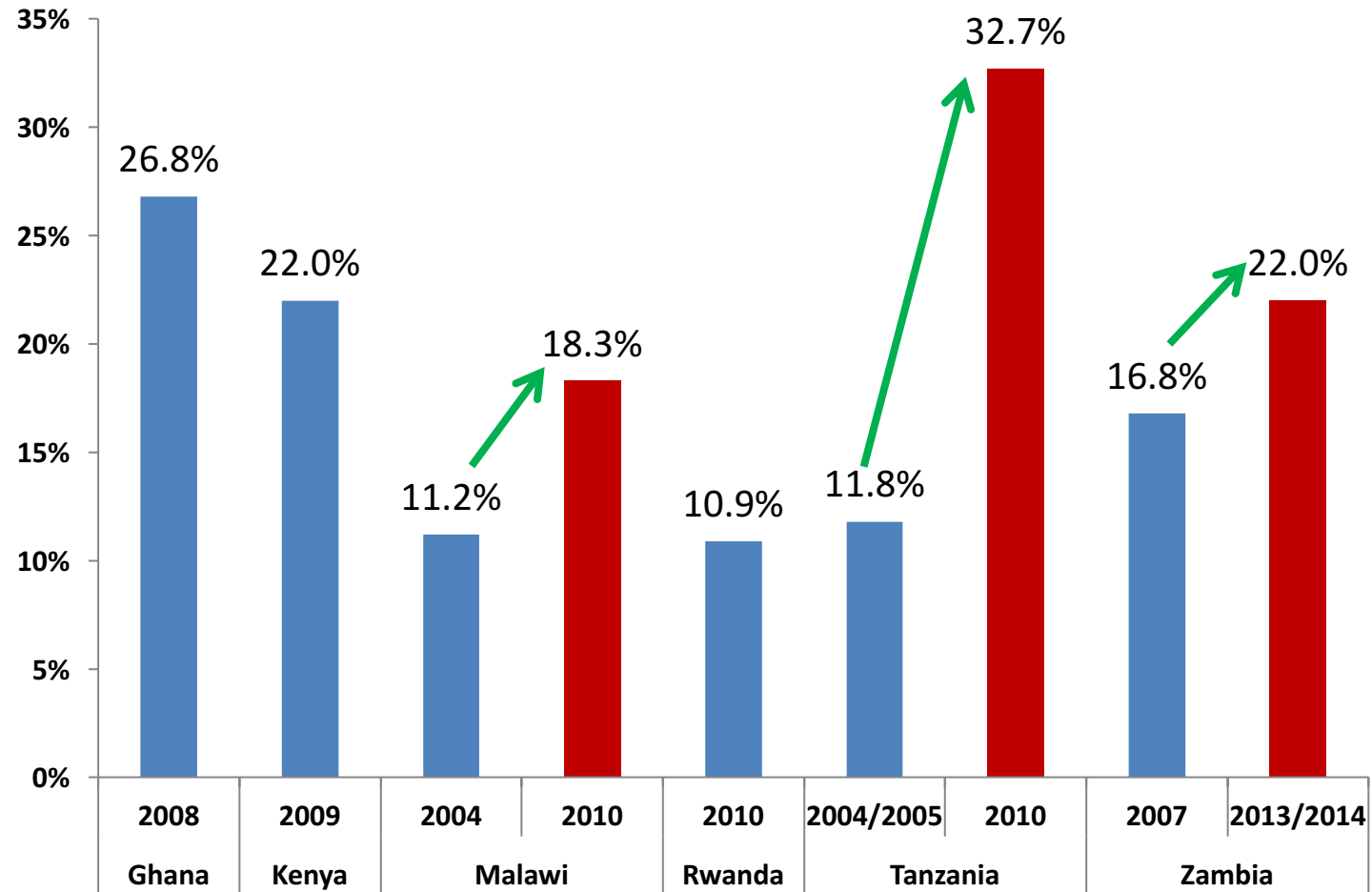
TYPE 1B: RURAL-BASED ELITE

	Mode of entry into medium-scale farming status	
	----- Zambia -----	----- Kenya -----
	Expansion of rural elite	Expansion of rural elite
	(n=118)	(n=120)
% of cases	42	40
% men	92.9	82.5
Year of birth	1966	1945
Years of education of head	8.2	7.5
Have held a job other than as a farmer (%)	32.9	17.5
Formerly or currently employed by the public sector (%)	5.8	12.5
Current landholding size (ha)	38.2	32.7
% of land currently under cultivation	46.9	54.1
Decade when land was acquired		
1969 or earlier	3.9	29
1970-79	6.7	24
1980-89	14.8	20
1990-99	32.2	18
2000 or later	42.0	9

Source: MSU, UP, and ReNAPRI Retrospective Life History Surveys, 2015



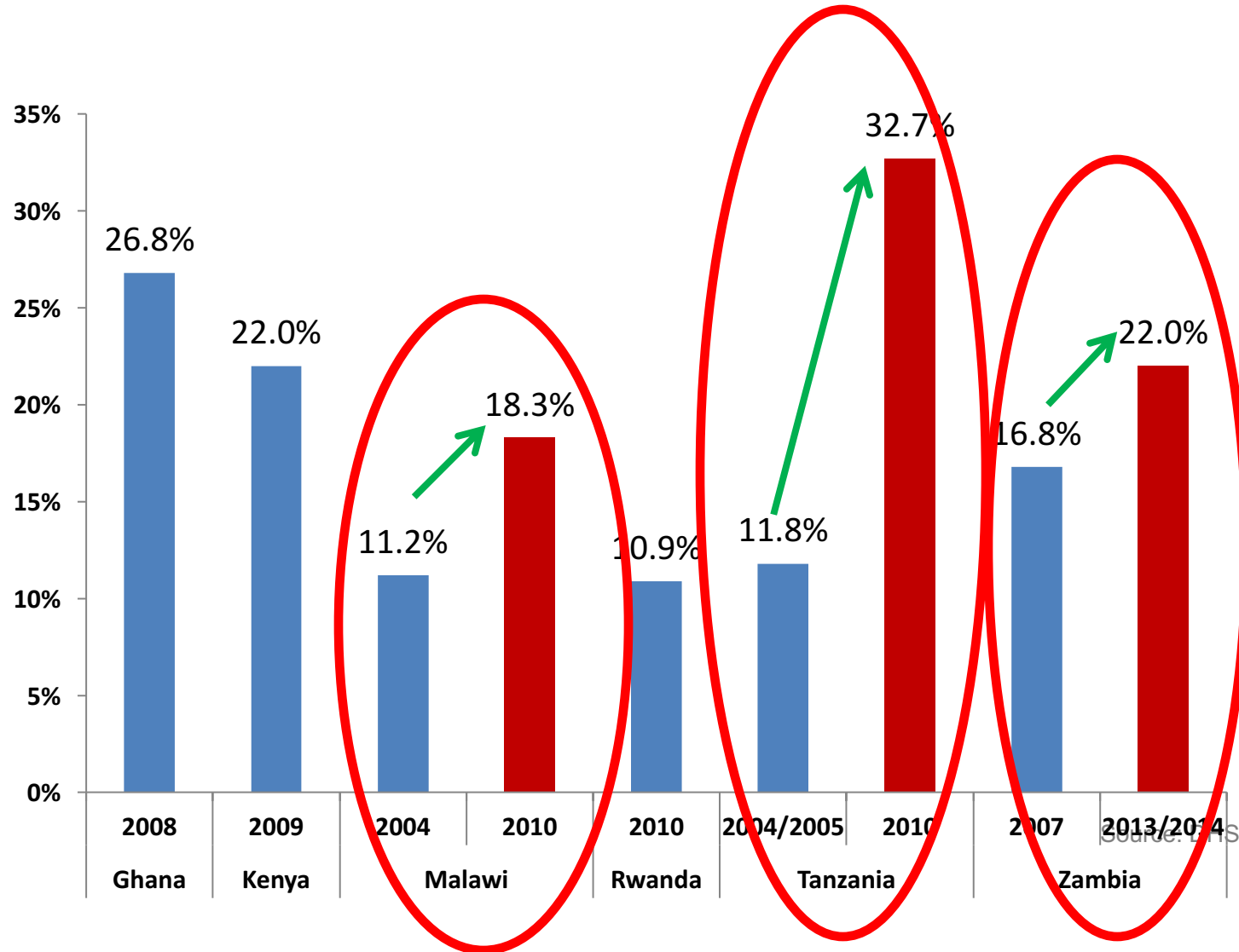
% OF NATIONAL AGRICULTURAL LANDS HELD BY URBAN HOUSEHOLDS



Source: Demographic and Health Surveys, various years between 2004-2014.



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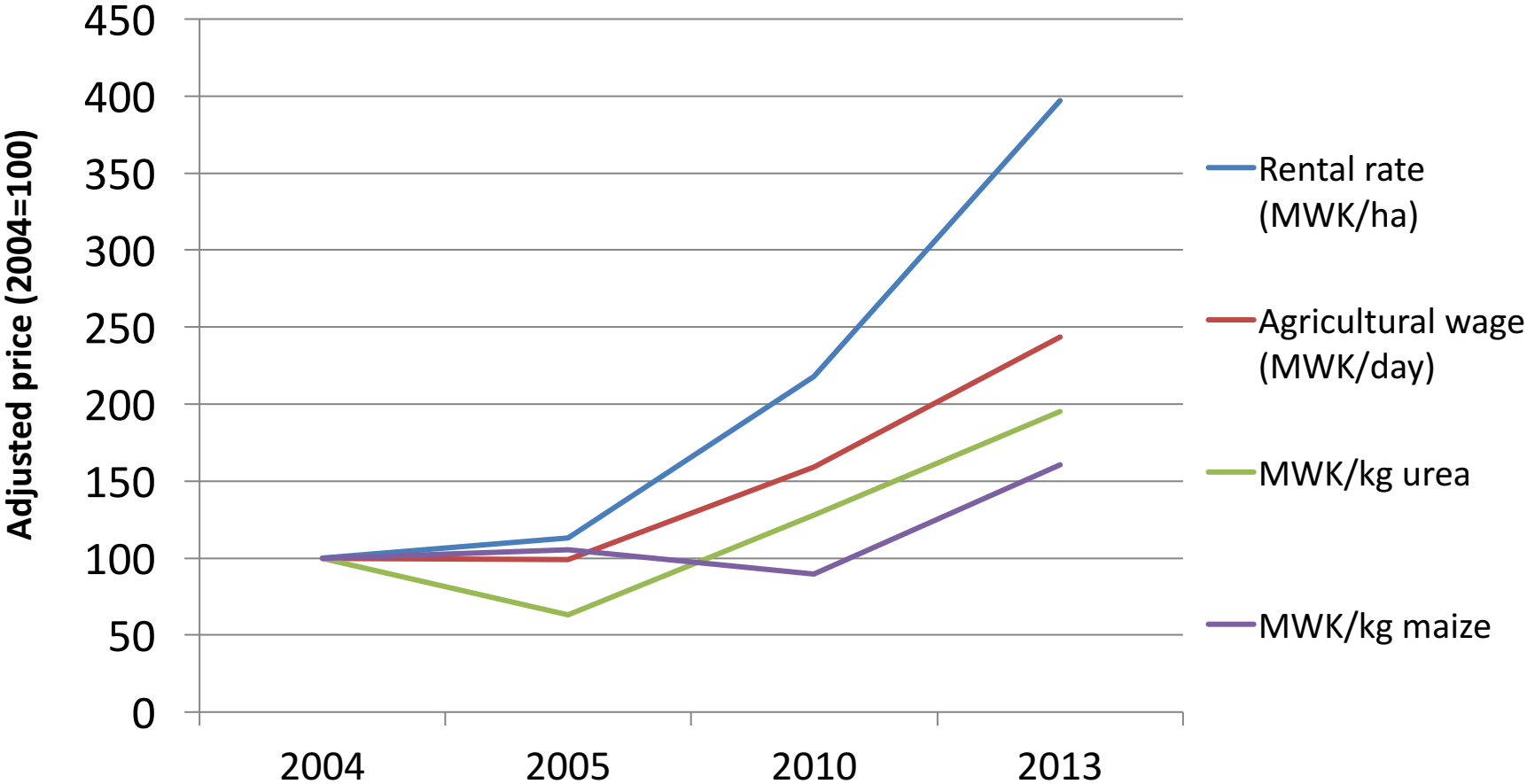
Rising landholding concentration

	Period	Movement in Gini coefficient:
Ghana (cult. area)	1992 → 2013	0.54 → 0.70
Kenya (cult. area)	1994 → 2006	0.51 → 0.55
Zambia (landholding)	2001 → 2012	0.42 → 0.49

Source: Jayne et al. 2014 (JIA)



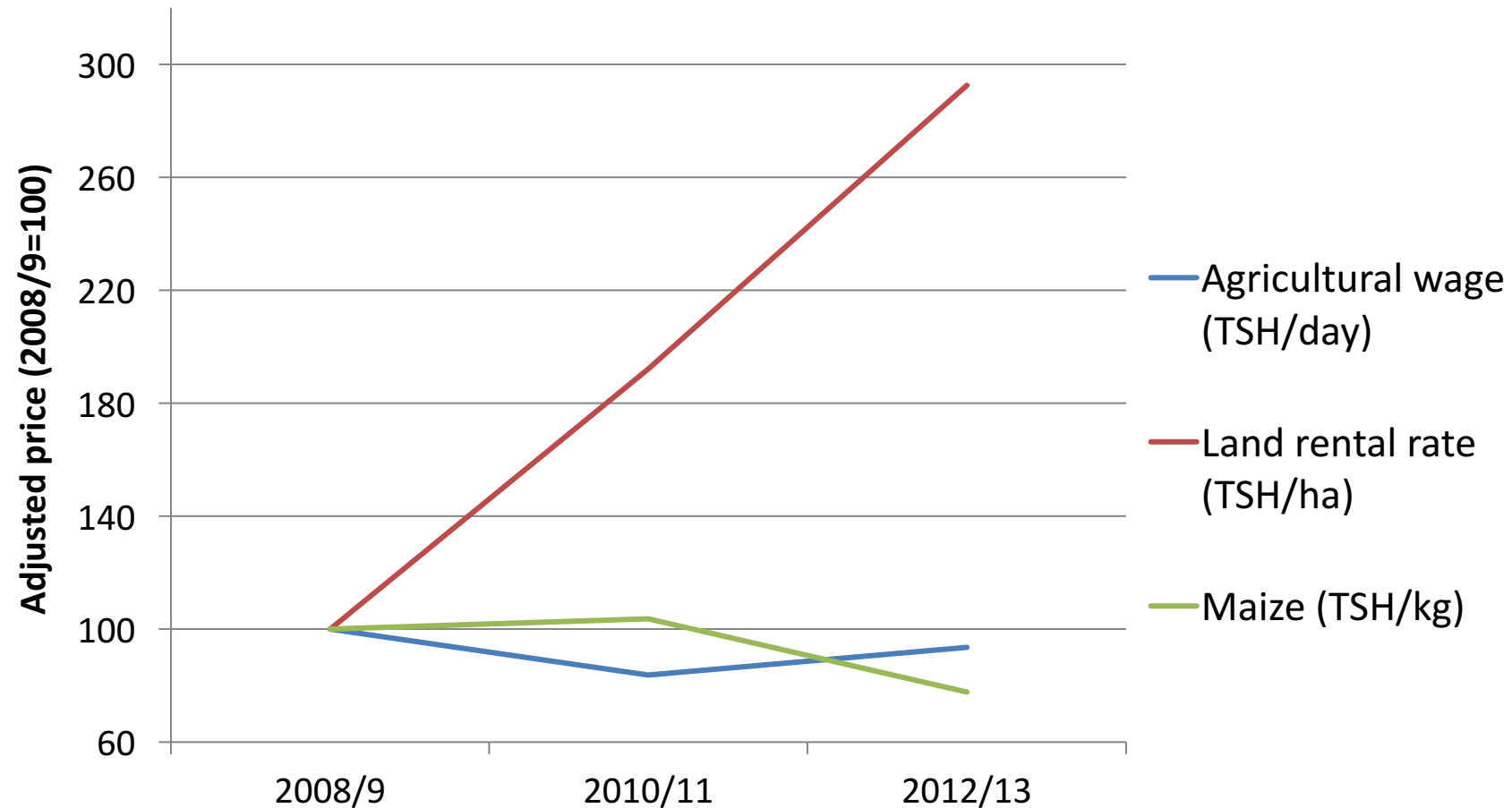
OUTPUT AND FACTOR PRICE INDICES, RURAL MALAWI, 2004-2013



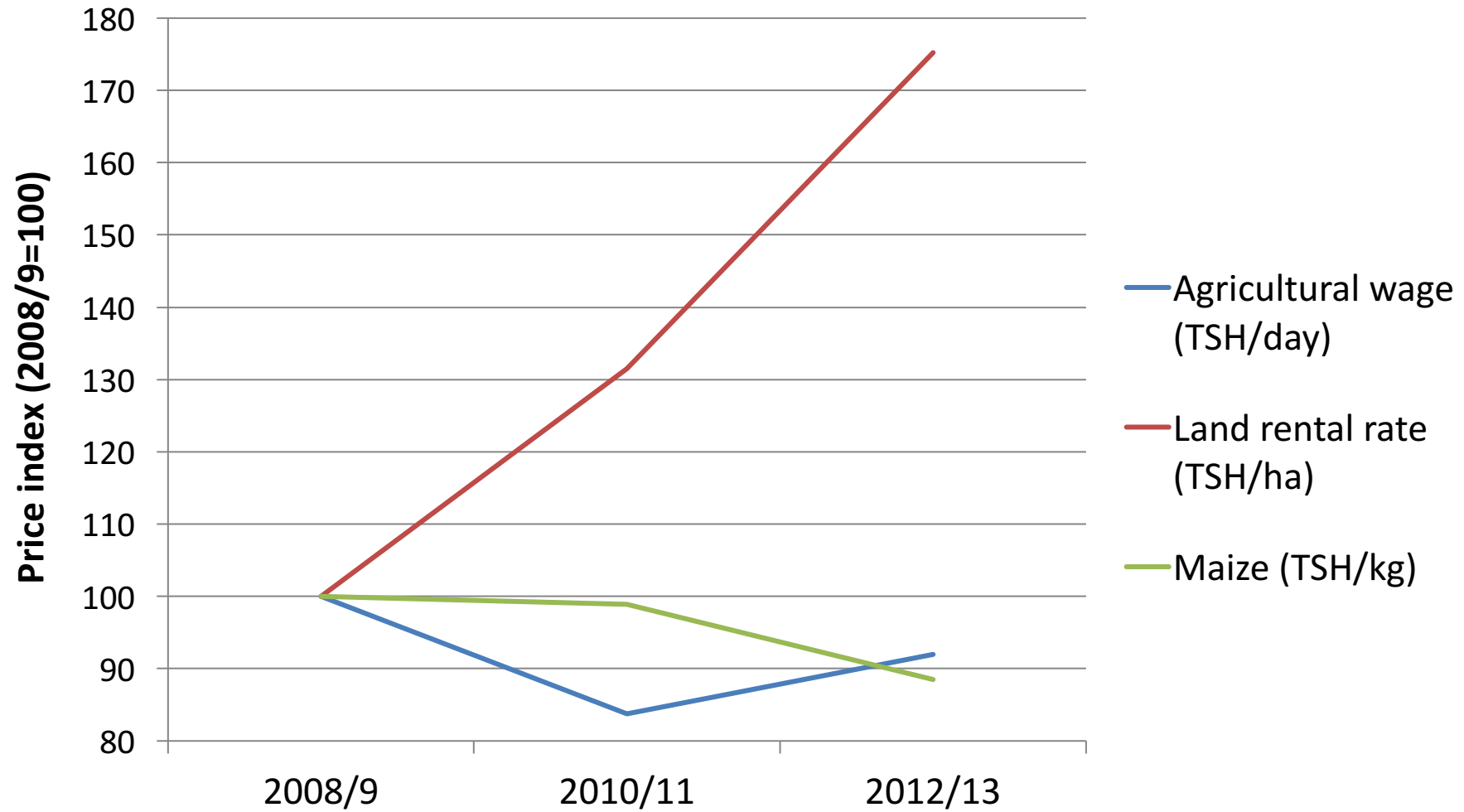
Sources: IHS for land and wages; FEWSNET for urea and maize



OUTPUT AND FACTOR PRICE INDICES, WESTERN TANZANIA



OUTPUT AND FACTOR PRICE INDICES, NORTHERN TANZANIA



RISE OF LARGE MAIZE BUYERS - ZAMBIA

Land size	Small-scale traders		Large-scale traders		Millers/processors		FRA		Total MT sold	% of total
	MT sold	row %	MT sold	row %	MT sold	row %	MT sold	row %		
2012										
0 to 2 ha									255 356	17%
2 to 5 ha									509 746	35%
5 to 10 ha									347 121	24%
>10 ha									348 130	24%
Total									1 460 353	100%
2015										
0 to 2 ha									212 367	10%
2 to 5 ha									546 466	26%
5 to 10 ha									622 911	30%
>10 ha									683 452	33%
Total									2 065 196	100%



CHANGING MAIZE MARKETS – RISE OF LARGE BUYERS

Land size	Small-scale traders		Large-scale traders		Millers/processors		FRA		Total MT sold	% of total
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5 to 10 ha	20 608	6%	7 652	2%	11 874	3%	300 365	87%	347 121	24%
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RESEARCH QUESTIONS FOR WS3:

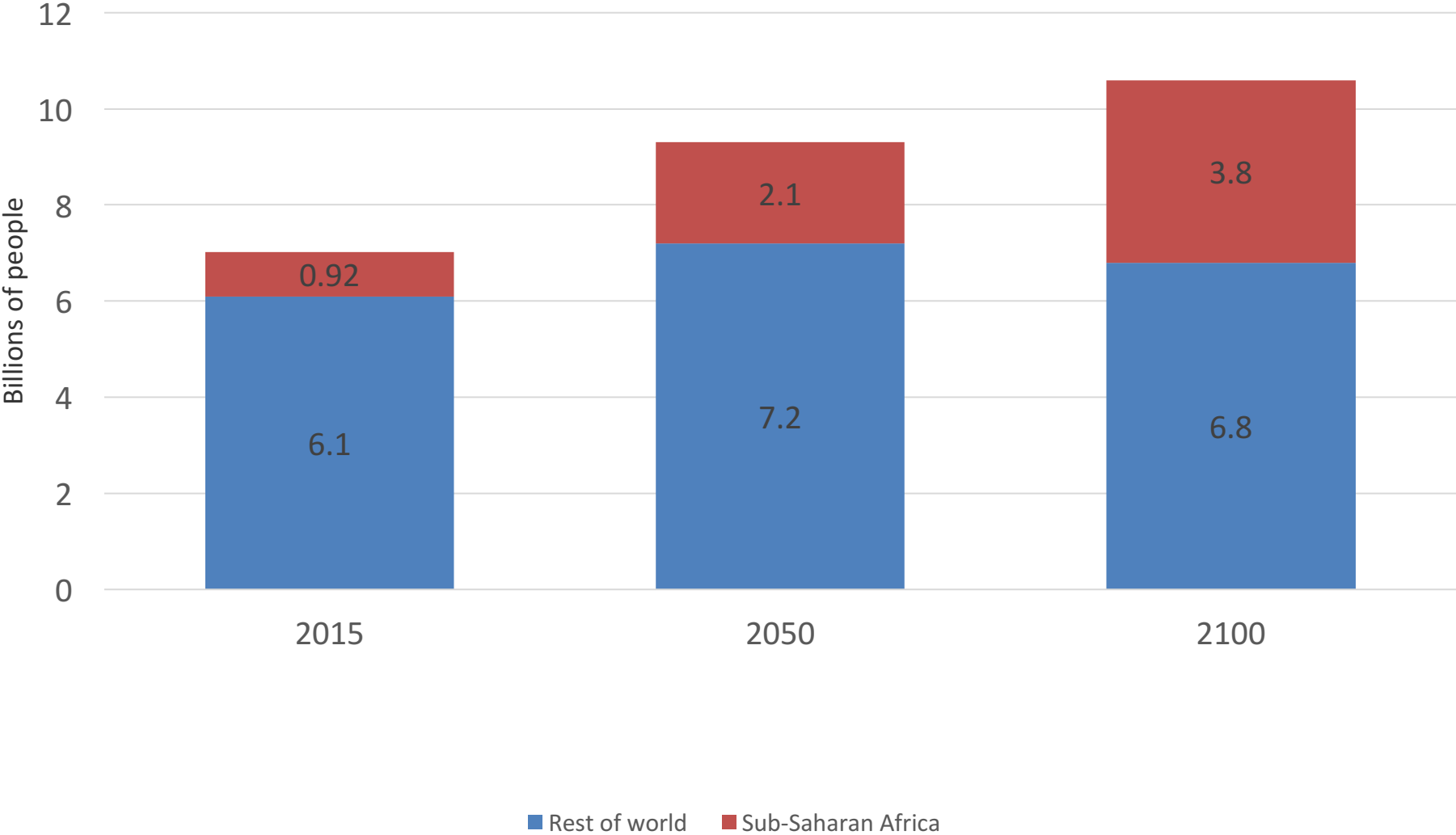
- Causes of rapid changes in farmland ownership:
- Consequences of rapid changes in farmland ownership:
 - Impact on downstream organization and concentration of food systems
- Policy implications for African governments?
 - Land policy?
 - Youth access to land?
 - How to achieve synergies between MS and SS farms?
 - Governments need information on how rising urban-based investor farmers are affecting national policy objectives



Thank you



Africa's rapid population growth

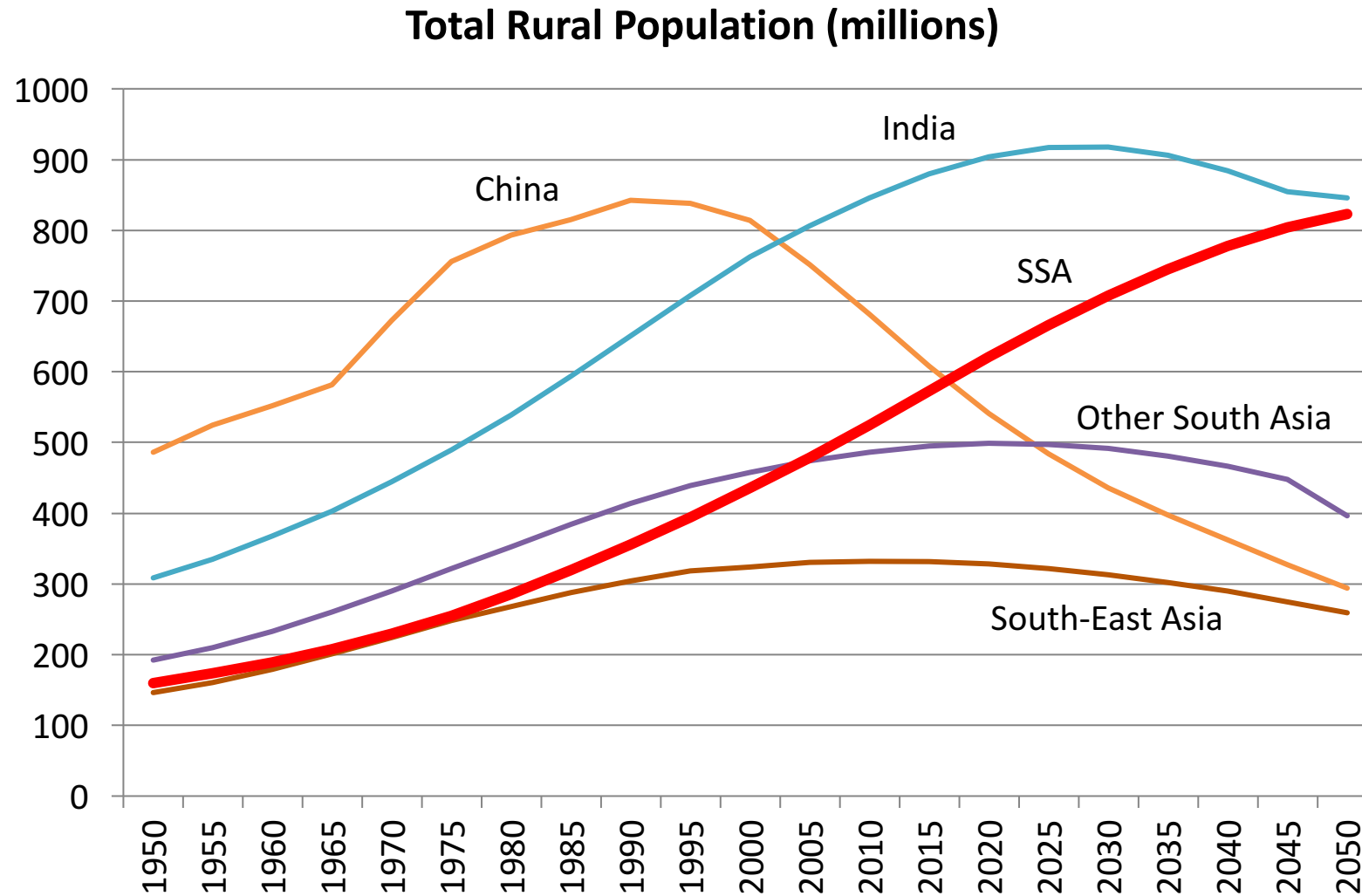


CHANGING MAIZE MARKETS – RISE OF LARGE BUYERS

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LOOMING RURAL EMPLOYMENT CHALLENGE IN SSA



Source: UN 2013