

The Agricultural Policy Research in Africa APRA

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Agricultural Policy Research in Africa (APRA)

- APRA consortium is a five-year research programme
- Multi-country studies
 - Ghana, Nigeria, Ethiopia, Tanzania, Malawi, Zimbabwe
 - o Kenya, Mozambique
- Study objectives
 - Examine how African farmers engage with commercial agriculture from production, to processing, and markets
 - Assess the consequences of different types of pathways to agricultural commercialisation on rural poor, women and young people (youth)





Agricultural commercialisation

- APRA defines agricultural commercialisation as a process by which agricultural enterprises and the agricultural sector as a whole rely increasingly on the markets for the sale of produce and acquisition of production inputs, such as labour
- It is a part of structural transformation process through which
 economies transition from subsistence agriculture (majority of
 population is rural-based) to economies dominated by
 manufacturing and service industries as major source of
 employment (majority of population is urban-based)





Successful agricultural commercialisation

- Successful when many people are
 - Stepping up: accumulating and investing
 - Stepping out: diversifying and creating non-farm rural economic activities
 - Stepping in: coming back to farming or new farmers- medium-scale farms
- Unsuccessful when many people are
 - Hanging in: simply surviving
 - Dropping out: moving away or slipping into destitution





Models of agricultural commercialisation

- APRA will analyse four different models of agricultural commercialisation
 - 1. Smallholder commercialization
 - 2. Out grower/contract farming
 - 3. Medium-scale commercial agriculture
 - 4. Estate/plantation





Outcomes of agricultural commercialisation

- The consortium is exploring five outcomes
 - Empowerment of women and girls
 - 2. Poverty- income and consumption measure
 - 3. Inequality
 - 4. Employment rates and conditions
 - 5. Food and nutrition security





APRA work streams

- WS#1: What outcomes result from the selection of different types of commercialisation?
 - Explore how different models of commercialisation selected by households impact on the main outcomes indicators
- WS#2: What pathways of agricultural commercialisation lead to what outcomes?
 - Analyse impacts of agricultural commercialisation on livelihoods over an extended period
- WS#3: What policies promote agricultural commercialisation with what outcomes?
 - Six multi-country studies: e.g. Michigan State University studying Rise of medium-scale farms







Are Local Investor Farmers Making Small-Scale Farmers More Productive and Commercialized? Evidence from Nigeria

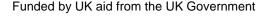
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Work Stream 1 Panel Study















Rapid rise of Medium-scale farms

- Recent evidence suggests rapid changing structure of land ownership in sub-Saharan Africa
- In Nigeria, data from farm listing exercise carried out in September, 2017 and key informant interviews show rapid investment by medium-scale investor farmers in the country
- The objectives of this study is to understand how these investor farmers are influencing the behaviour and welfare of the millions of small-scale farm households around them
 - Are they helping smallholders to become more productive and commercialized, or are they making it more difficult for them to do so?





Changes in farm structure in Tanzania (2008-2012)

	Number of households (% of total)		% growth in number of farms between initial and latest year	% of total operated land on farms between 0-100 ha		
Farm size	2008	2012		2008	2012	
0 – 5 ha	5,454,961 (93%)	6,151,035 (91%)	12.8	62.4	56.3	- 6.1%
5 – 10 ha	300,511 (5%)	406,947 (6%)	35.4	15.9	18.0	
10 – 20 ha	77,668 (1%)	109,960 (2%)	41.6	7.9	9.7	+ 6.1%
20 – 100 ha	45,700 (1%)	64,588 (1%)	41.3	13.8	16.0	
Total	5,878,840 (100%)	6,732,530 (100%)	14.5	100.0	100.0	

Source: LSMS/National Panel Surveys







Research questions

- 1. What is the effect of local investor farmers (medium-scale farms) on the productivity and commercialization of small-scale farm households?
- 2. Are new land acquisitions by investor farmers pulling in providers of agricultural inputs and services that improve market access conditions for nearby small-scale farmers? Specific examination of:
 - whether tractor rental markets are developing because of investor farmers renting out their tractor
 - whether the surpluses produced by larger investor farmers is pulling in new private investment in crop procurement
- 3. Are these land acquisitions displacing or constraining access to land by smallholders, youth and others?







WS#1: Research questions

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Methodology: Survey

- Main data source is primary data collected from farm households in two states, Kaduna and Ogun
 - Kaduna- LGAs: Chikun, Kachia, Soba
 - Ogun- LGAs: Imekon Afon, Odo Ona Ota, Ijebu
- Fieldwork conducted in three phases:
 - Phase I: Complete listing of all medium- and large- scale farms in all Wards and Communities in each of the identified LGA using a listing protocol- carried out in September-October, 2017
 - Phase II: First household survey: about 800 smallholders and 2500 medium/large farms systematically sampled for interviews
 - Phase: III: Second household survey





Methodology: Data [I]

- Survey instrument captures information on all the agricultural commercialisation outcome indicators
- We are also collecting GPS data of all households:
 - Proximity of small-scale farms to medium-scale investor farmers can be computed and variables constructed for potential influence of investor farms
 - Run either CRE or FE models to control for unobserved heterogeneity in examining the relationship between smallholder commercialization/ productivity indicators and their proximity/influence of nearby investor farms
- We need to ensure a clear gradient of proximity in our sample, which could influence our sampling design





Methodology: Data [II]

- We will also follow up with qualitative and key informant surveys to ground truth initial findings from statistical analysis.
- We may also do detailed retrospective surveys of a small group of smallholder farmers who are found to be particularly high on the productivity/commercialization scales
 - To find out more about the 'life histories' of these farmers and the various factors influencing their current success





Causes and Consequences of Farm Size Distributions

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Work Stream 3 Policy Study

















Introduction

- Recent evidence suggests that changing structure of land ownership in sub-Saharan Africa
- The objective of this study:
 - Understand the causes and rate of land expansion of medium- scale farms
 - Consider the policy implications of changes in farm structure and the concentration of food production and marketed output
- Study countries: Tanzania, Ghana, Nigeria, Zimbabwe





Tomorrow belongs to people who prepare for it today

--African Proverb--





