Speech Delivered by
Dr. Akinwumi A. Adesina
President, African Development Bank Group
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PROTOCOLS
Secretary of Agriculture, Honorable Sonny Perdue, Deputy Secretary of Agriculture Censky, Ambassador Ken Quinn, President of the World Food Prize Foundation; Chief Economist of USDA, Robert Johansson, Deputy Chief Economist Warren Preston, distinguished colleagues at USDA, friends of agriculture, friends of Africa, distinguished ladies and gentlemen.

Good morning!

1. I am delighted to be invited to speak at this 94th annual US Department of Agriculture’s Outlook Forum. I have always been a great admirer of the USDA, which I fondly call the power that drives American agriculture. And what a great honour it was to have had Secretary of Agriculture Sonny Perdue so kindly and generously announce my winning the 2017 World Food Prize, together with Ambassador Ken Quinn, President of the World Food Prize Foundation, right here at the US Department of Agriculture. It was such a great day, and I wish to personally thank Secretary Perdue for his generous words, and now for inviting me to be the distinguished speaker at this year’s Forum. I love the United States of America and there’s a reason for it.

2. Imagine it is 1983 in America – Ronald Reagan is President, George H.W. Bush is Vice President, Tip O’Neill is Speaker of the House of Representatives. “Chariots of Fire” was voted the best film at the Oscars and Michael Jackson released Thriller, the biggest selling album of all time! And I had just arrived in Lafayette, Indiana from Nigeria with my newly wedded wife Grace to study at Purdue University. That’s how I became a “Boiler Maker”!

3. I was amazed by my first impressions of plenty, of choice, of variety. Of free-flowing soda. And as small as West Lafayette was, it was very well developed! I knew there and then that America’s wealth reached its rural areas.

4. You see, you must understand that my grandfather had been a farmer during his time. Due to circumstances beyond his control, he was engaged in the type of farming often associated with what I call the ‘3 Ps’ of subsistence agriculture - poverty, pain, and penury.

5. It was therefore not surprising that my father was insistent that I would have a career in anything but agriculture. He wanted me to be a medical doctor. However, each year I applied to go to college, the response unsolicited would come back with an offer to study agriculture. Year after year. The response was the same. Eventually, my father relented and said “God must want you in agriculture.” Yes, he was right!
6. Four years later, at the age of 21, armed with a First Class degree in Agricultural Economics from the University of Ife in Nigeria, I was convinced that agriculture was the key to sustainable economic development in Africa. I had some good ideas. Some firm convictions, and what I believed to be ‘potential.’

7. At Purdue University, I was able to convert potential into opportunities that as child I could only have dreamed of. I finished with my PhD and became a doctor, so at least my father could call me “doctor” - and leave me alone!

8. Faculty and numerous mentors during and after Purdue opened countless doors for me and for this I am most grateful today.

9. So, why do I start off on this tangent? Very simple: Because agriculture has the potential to completely transform Africa and feed the world. But as my mentor Norman Borlaug always said: “you can’t eat potential”. You can only leverage, transform and use it.

10. To do this, we must fundamentally change the way we look at agriculture. Agriculture, for way too long, has been treated as a development activity, a social sector. It's been treated as a sector for managing poverty. Hence intentions tend not to be structural but rather palliative for poverty reduction. I do not believe in poverty reduction. I believe in wealth creation.

11. The lenses with which we look at issues determine how we address them, either to see challenges or opportunities. Because over 70% of the population in most African countries live in rural areas, and depend on agriculture for a living, their pathway out of poverty is tied to what happens to agriculture. By making agriculture a big wealth-creating sector, we will unleash new economic opportunities that will lift hundreds of millions of people out of poverty.

12. We must also relook at received economic theory on the role of agriculture in economic growth and development. The conventional theory is that agriculture is a primary sector, and that as economies develop, labor should move out of agriculture to spur industrial development. This theory has led to underinvestment in agriculture, rural development and reinforced the culture of neglect of Africa's rural areas. Indeed, agriculture was viewed as a primary production sector to produce raw materials. That's why industries are all located in the urban areas and raw materials are extracted from rural areas, to either feed the industries or for exports. Joblessness, deepening poverty and rural urban migration all stem from the conditions of misery in rural areas.

13. We must now turn the rural areas from zones of economic misery to zones of economic prosperity. This requires a total transformation of the agriculture sector. At the core of this must be rapid agricultural industrialization. We must not just focus on primary production but on development of agricultural value chains.

14. That way, Africa will turn from being at the bottom to the top of global value chains. Take the case of cocoa. How many of you know that Africa is why you have chocolates? Africa produces 75% of cocoa beans globally, but accounts for just 2% of the $100 billion global chocolate market. What's the brain surgery in making chocolates? The price of cocoa beans always falls, but never the price of chocolates; the price of coffee beans always falls, but never the price of brewed coffee at Starbucks.
15. To drive the agricultural industrialization of Africa and revive its rural economies, the African Development Bank is investing $24 billion in agriculture over the next 10 years.

16. At the core of this is to raise agricultural productivity. Good progress is being made. With support of global leaders, including late Norman Borlaug, I helped to galvanize action around the Africa Fertilizer Summit in 2016. Since then average fertilizer use has increased from 8 kg to a close to 50 kg per ha. Billions of dollars have gone into fertilizer manufacturing in Morocco, Nigeria and other countries.

17. Today, hundreds of thousands of farm input retailers are spread across Africa. Hundreds of private seed companies have emerged, through the support of AGRA, Rockefeller Foundation and the Bill and Melinda Gates Foundation.

18. Africa, today, has a lot more technologies than Asia had at the time of the green revolution. What's missing and what's needed now is to take technologies to scale of tens of millions of farmers. Africa does not need pilots anymore; we need scale. That's why the African Development Bank has launched, in partnership with the World Bank, Bill and Melinda Gates Foundation, AGRA and other partners, a new $1 billion initiative, "Technologies for African Agricultural Transformation or TAAT".

19. The approach is revolutionary. Under TAAT, our goal is to take these and other technologies off the shelves and reach millions of farmers with them, across agro-ecological zones. We will change the policy and regulatory environment that requires repeated testing of technologies, country by country. Instead under TAAT, technologies will be adopted across ecological zones. This means a seed company would only need to test a variety in one country and once approved release them across similar agro-ecological zones, simultaneously across country borders. This will drive economies of scale for businesses and transversal regional spillover effects.

20. Our goal is to have agriculture without borders. And why not? Take the case of the invasive army worms devastating cereals in many parts of Africa. Pests, after all, don't need visas to wreak havoc across borders. In the same way, technologies to tackle them and to transform agriculture should be without borders.

21. Just as special economic zones helped transform China and launch it as a global player in light manufacturing, so must Africa use special economic zones to transform its economies. The difference in the case of Africa is that the focus should be on rural areas, using agriculture as the driver of new growth, jobs and wealth creation. What's needed are Staple Crop Processing Zones (SCPZs). These are vast zones where focus is on developing massive infrastructure in rural areas, especially power, water, roads and ICT infrastructure. Fiscal incentives would be provided to food and agribusiness companies to locate within these zones.

22. They will provide markets for farmers to produce, process and add value to all agriculture products, reduce the high post-harvest losses and create quality jobs. The industrial capacity linked to agriculture within the zones will help unleash Africa's competitive advantage in value added agro-allied industries. As these zones develop, the structure of agriculture will change, with more commercial oriented farmers and services and logistics firms to serve these zones.
23. The fiscal space in the rural areas will expand and these Staple Crop Processing Zones will in turn help reduce food imports, saving African economies billions of dollars in much need foreign reserves. They will transform rural economies into zones of economic prosperity. The African Development Bank is currently planning to help develop these zones in 10 countries to begin with.

24. Ladies and gentlemen, there is much that Africa can learn from America.

25. I have always been inspired by the 1890 land-grant universities and their achievements to date. They “serve the underserved” and “reach the unreached”. Much of their funding for agricultural research comes from USDA’s National Institute for Food and Agriculture, whose objectives include agricultural innovation; catalysing innovative discoveries; and developing human capital, through research, education, extension and engagement programmes in food and agricultural sciences.

26. And nowhere is the deploying such an approach like the USDA’s more applicable than in unlocking Africa’s huge potential in the savannahs. Africa’s savannah, estimated at 600 million hectares, of which 400 million hectares can be farmed, has been called Africa’s largest forgotten asset. Only 10% of this massive land area is cultivated. What Africa needs to do is transform its savannahs, just like Brazil did and become a global powerhouse in food and agriculture.

27. But it’s not all just about producing more food; we need to ensure there is good nutrition as well. Africa still suffers from high levels of malnutrition and stunting and 3 million children die every year in Africa from malnutrition.

28. So, today, I speak for the victims of the silent killer of life: malnutrition. Nothing breaks our hearts more than a mother unable to calm the rumbling, hollow stomach of her hungry baby. Poor nutrition is responsible for stunting children's growth, harming children’s educational development and limiting future economic prospects. Stunted children today lead to stunted economies tomorrow.

29. Therefore, the most important infrastructure we must build is, “grey matter infrastructure,” the infrastructure that powers the brain and all human capabilities.

30. Ladies and gentlemen, I got my inspiration for this while a graduate student at Purdue University in the 1980s, where I witnessed how food stamps helped poor American families and their kids. God did not create children’s stomachs to be empty. That’s why I am pleased to have led a major effort to create African Leaders for Nutrition, recently endorsed by all African Heads of State to help reduce malnutrition and stunting in Africa. We will end malnutrition and stunting in Africa.

31. But as we do all of this, we will pay close attention to the impacts of climate change. African countries face very serious negative impacts from climate change. They need support to build resilience of their economies. That’s why the African Development Bank will support African countries to insure themselves against catastrophic weather events that displace their public expenditures. With approval of our Board, we will provide $76 million in support this year alone to help countries for their insurance premiums against catastrophic events.
32. We are also tackling another major challenge facing agriculture in Africa: the rapid ageing of the farming population. With the average age of farmers being over 60 years, unless this is changed, and we get younger people into agriculture, Africa may face a crisis in the next 20 years. There will be no farmers! That is why the African Development Bank has embarked on a major drive to attract youth into agriculture. Our goal is simple: change the labour composition of the agricultural sector. Our drive is to make agriculture “cool” and “sexy”.

33. And we are succeeding! Spurred by my success in driving this while serving as a Minister of Agriculture in Nigeria, today the African Development Bank is investing heavily in youth in agriculture. Our ENABLE youth programme is designed to develop the next generation of ‘agripreneurs’ for Africa. In 2016, we invested $800 million in this initiative for eight countries. In 2018, we will reach 15 countries. And over the next 10 years, the Bank will invest $15 billion to develop new youth agriculture entrepreneurs. The future millionaires and billionaires of Africa will come from agriculture.

34. The youth are Africa’s sovereign wealth. They are the present and the future of Africa. It is because of this personal conviction that I had the privilege of donating my $250,000 World Food Prize award last year to set up a fund fully dedicated to providing grants, fellowships, and financing for the youth of Africa in agriculture as a business. A portion of my World Food Prize award will also go to the World Food Prize Youth Institute–Africa, which will support young ‘agripreneurs’ who will be known as Borlaug-Adesina Fellows. The program will sustain Dr Borlaug’s legacy of taking agricultural technologies to the farmers, and promote my philosophy of treating agriculture as a business.

35. We will also improve access to finance for women entrepreneurs. No bird can fly with one wing. Africa will move faster if it achieves equality for women in access to land, property rights and finance. That’s why the African Development Bank has launched the Affirmative Finance Action for Women in Africa (AFAWA) to mobilize $3 billion for women-owned businesses in Africa.

36. Ladies and gentlemen, Africa is open for business. This is the time for the US private sector to ramp up investments in Africa. The US cannot afford to be left behind. Think about it, the size of the food and agriculture market in Africa will rise to $1 trillion by 2030. This is the time for US agri-businesses to invest in Africa. And for good reason: Think of a continent where McKinsey projects household consumption is expected to reach nearly $2.1 trillion and business-to-business expenditure will reach $3.5 trillion by 2025. Think of a continent brimming with 840 million youth, the youngest population in the world, by 2050.

37. Don’t think far: think Africa. The United States must change the lenses with which it looks at Africa. Africa offers the US the best deal of the century!
38. So, the US government should be at the forefront of efforts to encouraging fertilizer and seed companies, manufacturers of tractors and equipment, irrigation and ICT farm analytics to ramp up their investments in Africa. We will be there to support them. That’s why we are launching the Africa Investment Forum, as a 100% transactional platform, to leverage global pension funds and other institutional investors to invest in Africa.

39. The African Development Bank and its partners, including the World Bank, International Finance Corporation, the Inter-American Development Bank, European Bank for Reconstruction and Development, Asian Infrastructure Investment Bank and the Islamic Development Bank, will collectively deploy risk sharing instruments to support private sector investments. The Africa Investment Forum will be held from 7-9 November in Johannesburg, South Africa. I look forward to welcoming you there!

40. Ladies and gentlemen, as the nation that first inspired me and then welcomed me with open arms, permit me to say that I am here to seek a partnership with America: a genuine partnership to help transform agriculture in Africa, and by so doing unlock the full potential of agriculture in Africa, unleash the creation of wealth that will lift millions of out of poverty in Africa, while creating wealth and jobs back home right here in America.

41. I do not seek aid for Africa. I seek investments in Africa.

42. Together, let our roots of prosperity grow downwards and bear fruit upwards. As we do, rural Africa and rural America will brim with new life, much like I witnessed in Indiana, during my time as a graduate student in America. Then, we will have changed the 3 “Ps” to - “Prosperity, Prosperity and Prosperity”!

43. May God bless America! May God bless Africa! And may God bless a new partnership for agriculture, as a business, between the United States of America and Africa! Let’s be great, together!

Thank you very much!