



# AFRICA IRELAND ECONOMIC FORUM

## Sectoral Session I: Agri-Business

*This session focused on the potential of and challenges for agri-business in Africa both in terms of bringing economic growth and jobs, as well as addressing food security and supporting sustainable long term development. It discussed the experience of Irish agri-businesses that have grown to be world leaders and a key driver of the Irish economy, and their increasing involvement and investment in Africa.*

### Panel

- Mr. Andrew Doyle T.D., Minister of State for Food, Forestry and Horticulture, Department of Agriculture, Food & the Marine
  - Ms Lucy Muchoki, CEO of the Kenyan Agribusiness and Agroindustry Alliance, KAAA
  - Mr Akin Sawyerr, Executive Secretary of the **Agricultural** Fresh Produce Growers & Exporters Association of **Nigeria** (AFGEAN) and the Nigerian Agribusiness Group (NABG)
  - Mr. Michael Maguire, Head of Development, East Africa, Devenish Nutrition
  - Ms. Aoife Moran, Executive, Irish Dairy Industries Association
  - Chair: H.E. Mr. Sean Hoy, Ambassador of Ireland to Nigeria
1. Ambassador Sean Hoy opened proceedings with an overview of the salient topics, namely, the idea of agriculture as a business (as opposed to subsistence farming), being export market oriented, building comparative advantage, ascertaining the best methods of achieving maximum agricultural yields, and the importance of involving young people in agriculture.
  2. Minister of State Doyle stressed the inter-linkages between Governments and the private sector in achieving a sustainable food production system. The relationships between the producer and the marketing and distribution channels were also referenced, the premise being that intelligent use of skills and resources, combined with up-to-date research, would provide the best returns for economic and environmental sustainability. The refinement of the whole process would reduce waste and maximise output.
  3. Reference was also made to the Irish 'Food Wise 2025' initiative, and Bord Bia's 'Origin Green' Programme, which is a sustainability programme that enables Irish farmers and producers to set and achieve measurable sustainability targets. The relevance of both programmes to Africa was clear and the importance of having a long-term plan (5 – 10 years) would be repeatedly referenced by all other speakers throughout the discussion. Furthermore, it was noted that communication and marketing play a key role in the successful development of the agricultural sector.
  4. Ms Lucy Muchoki spoke about the CAADP (Comprehensive Africa Agriculture Development Programme). Like the Irish initiatives, it promotes a more cohesive view of agriculture, and again stresses the priority of co-ordinating the different strands within the process. The importance of private sector engagement – government as facilitators, private sector as implementers – as well as the 10-15 year timeframe, reflect what other



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similar schemes are attempting. It was noted that the Malambo Declaration and KITI program show that governmental efforts are being targeted at the tertiary services surrounding agriculture.

5. Hope was expressed that a programme could be established to help Kenyans learn from the successful Irish dairy industry. There has been a successful partnership with the Dutch on flower production and there is a belief that this international-partnership approach could transfer well to dairy and other agricultural subsectors.
6. Mr. Akin Sawyerr highlighted the huge potential for Irish private sector involvement in agriculture in Nigeria. Oil has created a connection between Nigeria and the rest of the world, and with the logistical connections already established, they could now be utilised in the agri-business sector. The recent drop in oil prices has led to a drive to diversify, and in turn has created an opportune time to promote youth involvement in agriculture.
7. Similar to the Irish and Kenyan initiatives, Nigeria has the AFGEAN (Agricultural Fresh produce growers & Exporters Association of Nigeria), which focuses on food safety and certification, agri-logistics, and opportunities to collaborate. Similarly, the Nigeria agri-business group (NABG) was established to pressurise the government with regards to FDI, investment and job creation, and to highlight the agri-sector's huge commercial potential.
8. The importance of infrastructure in transporting the produce was also noted, with a suggestion that a road building programme in Nigeria could be a positive step in developing the sector. It was argued that such a programme would simultaneously help create employment and reduce emigration. Issues regarding cold transportation systems and traceability elements were also highlighted, with the main point being that it is not about increased production, but handling the current produce correctly (50% of food is wasted in Nigeria). Reference was also made to linking FDI to capacity building and engaging with countries like Ireland to learn from its experience of developing the agriculture sector.
9. Mr. Michael Maguire spoke of his experience in supporting the development of a feed industry in Uganda. Notwithstanding the challenges, he felt it was a worthwhile investment for a company which was prepared to stay the course – a long term approach was essential. The long term basis of any investment in Africa was repeatedly stressed, and reference was also made to problems with African bureaucracy, which it was suggested acted as a deterrent to investment due to the lengthy timescales.
10. Ms. Aoife Lyons stressed the importance of the African market to the Irish dairy industry, with Irish companies having a footprint across the whole continent. Partnerships, knowledge and personnel transfer, infrastructure investment, on the ground talent management, and indigenous contacts have aided greatly in the success of these projects.
11. It was also highlighted that with the ever growing movement of people to urban centres, the nutritional needs of urban areas are being placed upon an increasingly small rural agricultural labour force. Therefore it was noted that the move from self-sufficient farming to a more 'industrialised' method is imperative for the maintenance of growth throughout Africa.



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12. The connection between youth development and stability and progress was also highlighted. Nigeria has a huge youth population, 50% of whom are unemployed. However, agriculture is not seen as a solution, but as an old fashioned career choice that is highly unattractive to young people. To address this problem it was suggested that skills and training along with offering an economically appealing career might be the most persuasive mechanisms in changing this mind-set. Cooperation was urged to ensure that technical agricultural expertise and knowledge is shared with countries such as Nigeria to best help develop the sector. This could include sending Irish experts to Africa.
13. Sensitivity in the business community to macro issues including currency devaluations and corruption was also mentioned.

### **Points from Q&A/Discussion**

14. Ireland's model of stakeholder consultation is the ultimate objective of the CADDP approach and Ireland could offer experience sharing relevant to African countries.
15. Population growth and migration makes it imperative that the agricultural sector is developed as a priority. It is also the most efficient way to redistribute wealth from cities to rural areas.
16. The main markets should be domestic to meet national needs.
17. Employment of youth is a priority for political stability.
18. All producers should focus on comparative advantage. As Ireland is an efficient producer of meat and dairy, in most markets Irish exports will not impact or crowd out local production
19. Ireland has engaged proactively since the first AIEF with good working relations with DAFM in particular.
20. We need to consider agriculture as a business to attract the brightest and most innovative youth into this workspace. There is also a need for long term planning and investment.
21. Bringing the costs of domestic production into line with international export market prices should also be one of the long term goals.
22. The session concluded, by noting that the Irish experience has very relevant lessons for the African context and that there is a business opportunity to work together on sustainable solutions and for Ireland to get involved in production in African countries.