

The Rapid Transformation of the Food Economy of Africa

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Speech for BMGF Grand Challenges Meeting, October 6,
2014, 14h30 PST



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1. Rapid growth in incomes (ESA slower/less than WAf)

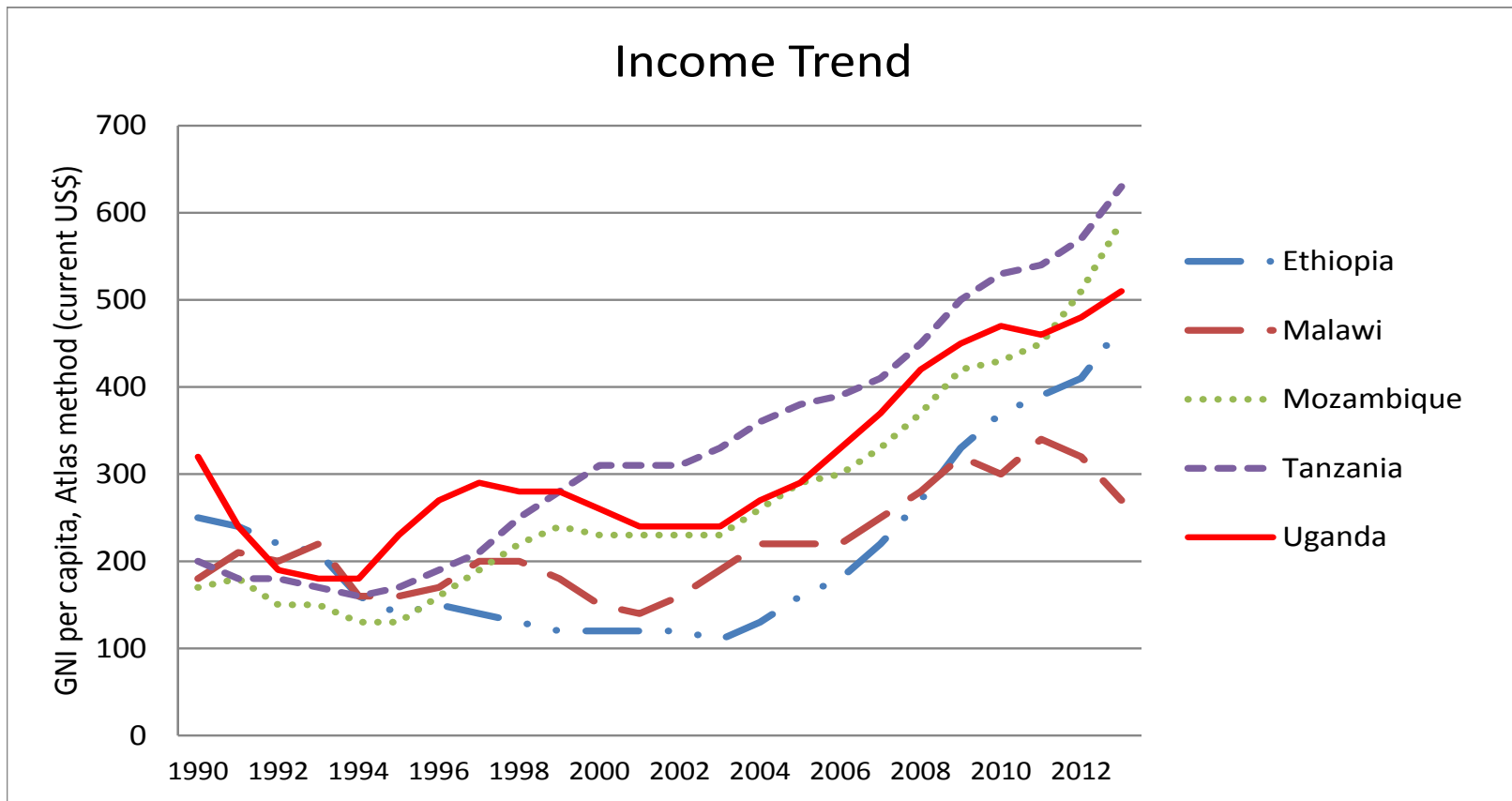
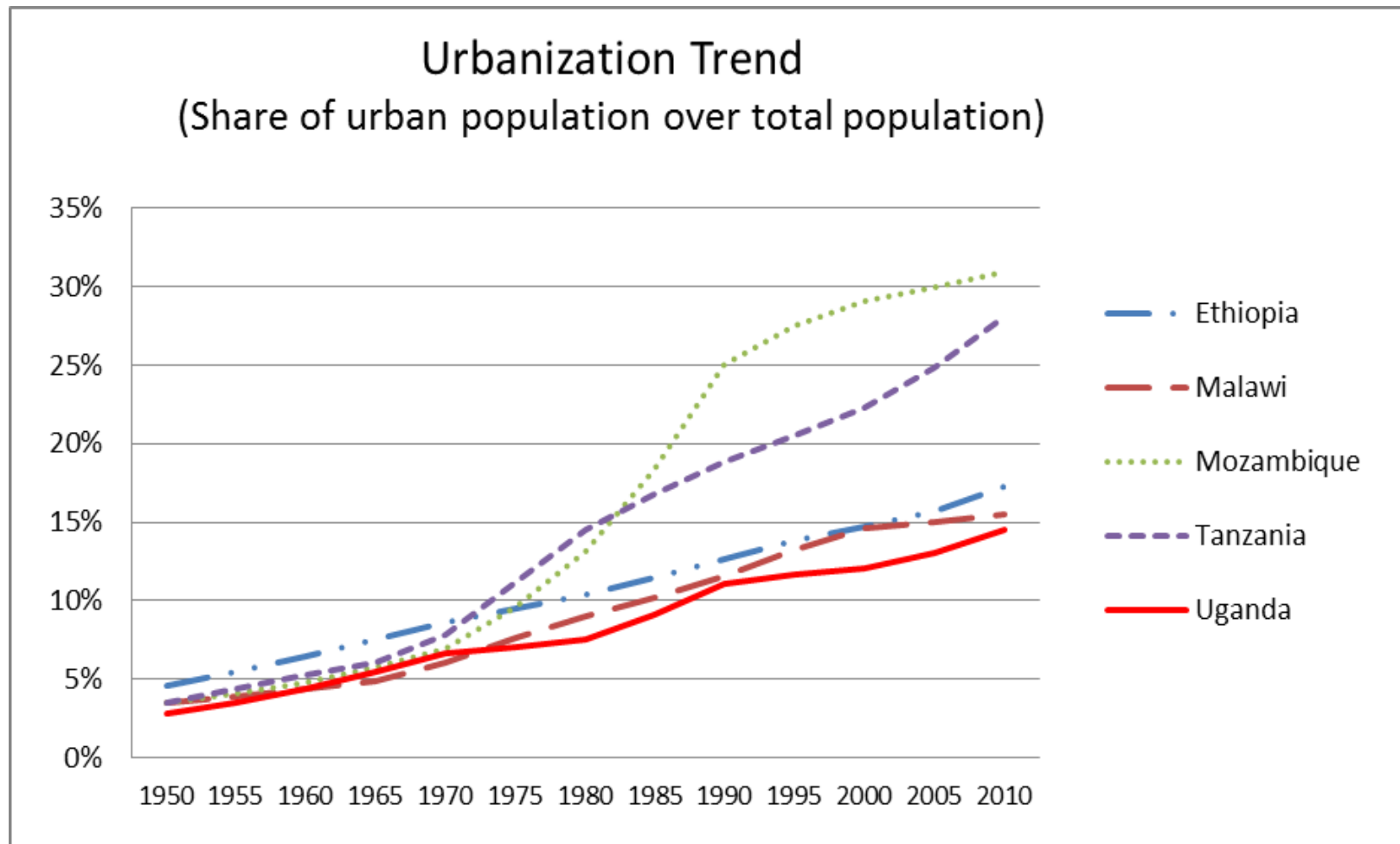


Figure 1: Income trend of select East and Southern African nations

Source: The World Bank

2. Rapid Urbanization, ESA (ESA is even half of West Africa rate)



3. Urban higher than rural income by: 2:1

East and Southern Africa Expenditure

Total Expenditure Per Capita Per Day

	T1	T2	T3	All
ESA Level	\$0.76	\$1.44	\$3.62	\$1.94
Rural	\$0.71	\$1.21	\$2.83	\$1.58
Urban	\$0.94	\$2.16	\$6.21	\$3.10

4. Points 1-3 → Urbanization of Food Sector in Africa

(Note: ESA urban shares < West Africa)

Note: Red = share in purchased market

In Staples, urban market already half the overall:

a) Urban has 46% of purchased + produced,
61% of just purchased cereals

... rural has 54% (39%)

b) Urban has 43% (56%) of pulses

... rural has 57% (44%)

c) Urban has 31% (49%) of roots/tubers market

... rural has 69% (51%)

In “diversification foods” urban market already majority of overall:

a) **Urban** has **52%** of purchased + produced,
63% of just purchased fruits/veg

... **rural** has **48%** (**37%**)

b) **Urban** has **58%** (**63%**) of meat/fish

... **rural** has **42%** (**37%**)

c) **Urban** has **63%** (**64%**) of lipids (veg oil/animal fat) market

... **rural** has **37%** (**36%**)

6. Diets are Diversifying Rapidly

a) Rapid rise of processed food consumption as share of diet

... Rural “low processed” share (outside maize)
= **21% of food expenditure**

... Urban “low processed” share (outside maize)
= **25% of food expenditure**

... Rural “high processed” share: **18% of expen.**

... Urban “high processed” share: **28% of expen.**

Outside of maize expenditure,

**Share of all processed in total rural expenditure
= 39% !**

**Share of all processed in total urban
expenditure = 53% !**

b) Share of staples (cereals, roots/tubers, pulses)

**Total staples = 38% of purchased expenditure,
56% of purchased + produced expenditure**

**So “diversification foods” already 62% of
purchased market ... a majority of expenditure!**

6. Implications

a) “food security” used to mean mainly “rural food security”

... now rapid urbanization → national food security means **urban + rural food security** (more than half of African food consumed in cities)

**b) “rural-urban food value chains” used to be
“niche topic” for agribusiness specialists**

**... now domestic value chains are fundamental
to national food security**

c) Importance of rural-urban value chains → importance of “post-farmgate activities” for national food security

... processing, food distribution/wholesale, cold chain segments have become as important to national food security as farming

... And these segments are transforming fast –

... a “Quiet Revolution” (by SMEs, a “grass roots revolution” in post-farmgate segments in value chains

→ urgent need to support their development

d) The rapid rise of processed food consumption implies the importance of processing sector to food security & employment..

... and possible nutrition/health issues over time

e) The rapid diversification of diets beyond staples

➔ Implies the rapidly growing importance of vegetables, meats, fish, fruit, vegetable oil, dairy to food security in Africa