

# AfDB committed to building resilience of African agriculture

When Akinwumi Adesina, the president of the African Development Bank Group (AfDB), visited Maputo, Mozambique in April 2016, he reaffirmed the commitment of the Bank to continue to support the growing Mozambican economy.



[Image credit: TechnoServe](#)

Leading a team of senior bank staff, Adesina had a joint meeting with the Minister of Economy and Finance and Governor of the Bank Group, Adriano Maleiane; Energy and Mineral Resources Minister, Pedro Couto; Minister of Agriculture and Food Security, Jose Pacheco; as well as the Governor of the Bank of Mozambique and AfDB Alternate Governor, Ernesto Gove; and the Chairman of the electricity utility company (EDM), Mateus Magala.

## Priority areas

"We are in a process of revitalizing our economy and we focus on the following priority areas: agriculture, energy, and infrastructure. We need a lot of investments and AfDB has a lot to give," the Minister of Economy and Finance said.

The bank will increase the allocation of funds in the energy sector to provide "maximum support" for Mozambique in this regard. The bank's plans include creating an energy sector fund of \$12bn over the next five years and further mobilising about \$50bn from the private sector to ensure universal access to electricity in Africa by 2025.

The Bank also plans to establish transformative partnerships for agriculture with the common goal of feeding Africa. With regard to infrastructure, Adesina has encouraged the development of regional projects and transnational roads. He also pledged the bank's assistance in areas such as job creation for young people and the fight against floods and drought.

## Drought response

"While cycles of drought and floods are natural phenomena, integral to tropical weather and climate systems, droughts and floods had been occurring with increased severity, frequency, and variability in many parts of the Africa in recent years," Adesina said.

On 1 April 2016, the African Development Bank president announced a package of US\$549m in support of the 14 countries in Eastern and Southern Africa most affected by extreme drought. Six countries are severely impacted and require immediate assistance from the Bank's emergency resources. These include Ethiopia, Somalia, Lesotho, Malawi, Mozambique, and Swaziland.

The drought response package consists of \$5m in emergency relief and \$361m in short-to long-term support from various windows of the bank's financial instruments. The bank noted that this package represents new financial resources. Further, the AfDB will implement a mechanism that will ensure faster disbursements of funds in ongoing projects to help strengthen the affected countries' resilience to drought, for which an additional \$183m would be made available this year, Adesina concluded.

Since the beginning of its operations in Mozambique in 1977, the AfDB Group has contributed approximately US\$2bn for 95 operations. These funds were allocated essentially to the transport, energy, agriculture sectors in addition to general budget support. The current portfolio of the AfDB in Mozambique consists of 19 projects both in the public and the private sectors totaling more than \$600m.

## **Africa will feed the world by 2025**

Speaking at the World Bank/IMF meeting in Washington, Adesina said Africa would feed itself and feed the world by becoming a net exporter of food by the year 2025.

Adesina who was represented by Kapil Kapoor, AfDB acting vice-president for operations, said two billion people are undernourished while another two billion are obese. "We need to look afresh at agriculture in Africa as a series of systems, and to see it not as a way of life, but a business," Kapoor said while speaking on 'The Future of Food.'

He said the challenges of food and agriculture were global, and lamented the effect of waste. "While two billion people in the world are undernourished, two billion are obese or overweight. The world wastes one-third of the food it produces."

"How is it that the continent with two-thirds of the world's arable land and plentiful water resources, struggles to feed its own people – to the extent that it imports US\$35bn of food a year – and creates so little agricultural produce?"

He announced the continent-wide strategy to 'Feed Africa,' explained at the AfDB's annual meeting in Lusaka, Zambia. "The strategy is in part the result of new and holistic thinking among our partners in government. Last October, in Dakar, the bank convened a 'Feed Africa' conference which brought together ministers of agriculture, finance and health in an almost unprecedented move to see agriculture across all its component parts, at the nexus of health, economic growth, and a sustainable planet."

"The goal is nothing if not ambitious: we believe that by 2025, the continent of Africa can be a net exporter, not an importer, of food. Africa has a huge matrix of players in agriculture, but little coordination. And the role of the private sector is key: every conversation we have with governments is essentially a conversation with and about the role of the private sector. It is the private sector which will bring about change."

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