

The Agricultural Policy Research in Africa APRA

Milu Muyanga

Department of Agricultural, Food and Resource Economics
Michigan State University

WS#1 and WS#3 Fieldwork Supervisors Training Workshop
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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
 - 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
 1. 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

T.S. Jayne*, M. Muyanga*, S. Liverpool-Tasie*, T. Awokuse*, A. B. Aromolaran+
*Department of Agricultural, Food and Resource Economics, Michigan State University
+ Faculty of Agriculture, Adekunle Ajasin University, Ondo State, Nigeria

Work Stream 1 Panel Study



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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)

Farm size	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		
	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

M. Muyanga (MSU), T.S. Jayne (MSU), K. Yeboah (MSU), F. Dzanku (UG/Ghana),
A. B. Aromolaran (AAU/Nigeria), N. Mdoe (SUA/Tanzania), T. Shonhe
(UCT/Zimbabwe)

Work Stream 3 Policy Study



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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--

