

Scaling up note



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The context

Rural development in Gabon depends largely on growth in the agro-sylvo-pastoral subsector, but the development of the country's agricultural potential remains incipient. The various strategies adopted by the Government since independence have not succeeded in revitalizing the sector. Currently the agriculture sector employs about 40 per cent of the country's rural population, although it contributes just 5 per cent of GDP and represents just 0.7 per cent of the government budget. Agricultural land occupies 20 per cent (5.2 million hectares) of the country's territory, contrasting with the small share of sector activity taking place on less than 10 per cent of arable land. The rural population, which accounted for 20 per cent of the Gabonese people in 2000, is falling steadily as the urban population grows, and represented just 13 per cent of the population in 2013.

Agricultural activity is dominated by small family farms, numbering an estimated 70,000. These farms practise subsistence farming and are operated mainly by older people. The average area cultivated by such farms was an estimated 0.20 hectares in 2012. Agricultural production is insufficient to guarantee the country's food security, hence the significant volume of imports at more than CFAF 300 billion in 2014. Estimates place the deficit at more than 60 per cent of food needs, including cereals and meat products.

This situation is attributable to a number of factors:

- (i) unregulated and insecure land tenure;
- (ii) inadequately managed and developed agricultural land;
- (iii) the modest size of active farms;
- (iv) low crop yields;
- (v) an unattractive investment framework, including insufficient tax incentives;
- (vi) limited access to financing, seed and quality inputs, as well as agricultural advice;
- (vii) limited capacities among public, private and community institutions in the agriculture sector;
- (viii) production, processing and marketing infrastructure lacking or in poor repair;
- (ix) poor interconnectivity between different links in value chains;
- (x) local labour lacking in training and skills;
- (xi) inadequate agricultural training structures owing to aging infrastructure and outdated technical facilities;
- (xii) little dialogue with economic environments to organize training actions and develop the supply of training to better respond to demand; and
- (xiii) weak government facilities in support of the sector.

An estimated 30 per cent of Gabonese people are living below the poverty line. Surveys conducted in 2013 to define the country's human development strategy revealed that some 95,000 households are considered economically weak. The number of people living in poverty is substantially higher in urban areas at 45 per cent, but the poverty rate is higher in rural areas with 45 per cent of economically weak households compared to 20 per cent in urban areas. The situation of rural poor people is exacerbated by limited access to basic social and public services, such as health care and access to water and electricity.

The continued slump in the oil sector is affecting GDP growth. As demand has cooled, Gabon's exports have fallen off. Oil revenues have dropped 59 per cent and non-oil revenues have declined 11 per cent. In order to gradually reduce dependence on oil and commodities generally, and to diversify the country's economy, the Government launched the Gabon Emerging Strategic Plan (PSGE). The PSGE outlines the priority thrusts of the Gabonese development model to 2025 and calls for developing agricultural potential and guaranteeing food security. The Government's ambition is to use agriculture to diversify the economy and strengthen the drivers of inclusive growth.

Key elements of IFAD country programme

In accordance with its mandate and comparative advantages, IFAD has focused its cooperation with Gabon in rural development on supporting the implementation of sector policies and strategies to help poor farmers and rural people improve their food security and livelihoods. IFAD's priority area of action in Gabon is economic and institutional rural development, and specifically support targeted to smallholder producers and those most vulnerable to poverty, women in particular.

IFAD's assistance to Gabon commenced in 1993, but was limited by the economic challenges faced by the country between 1995 and 2000 and low levels of interest in rural development. IFAD's portfolio in Gabon is currently managed by the IFAD country office in Cameroon and consists of one operation under way: the Agricultural and Rural Development Project (PDAR) launched in 2007 with an initial duration of six years and a budget of US\$8.4 million. Following the midterm review in 2012, and at the request of the Government of Gabon, IFAD provided additional financing of US\$5 million and authorized an extension to 2017.

PDAR operates in the province of Woleu-Ntem, where it provides productivity support to the banana and cassava sectors and builds actor capacities. In doing so, IFAD is contributing to the emergence of a rural world structured around organized groups in value chains, and to improved household incomes. The current understanding is that PDAR is one of the only projects aiming to raise food crop farming incomes in Gabon's rural areas. The project plays an important role in catalysing support for integrated rural development in Gabon.

Scaling up the intensification of agricultural production in Gabon

Traditional farming systems in Gabon are not very intensive and make little use of quality inputs and high-performance tools, leading to very low productivity. PDAR operates in the province of Woleu-Ntem, where it provides productivity support to the banana and cassava sectors and builds actor capacities. Regular and sustainable availability of high-performance seed in both value chains has improved. The project is also contributing to putting in place local capacity to guide farm producers and cooperatives by promoting advisory assistance technicians to compensate for the absence, at the provincial level, of government technical facilities specializing in extension and producer training.

To address the problem of supply in good quality plant material in the banana value chain, PDAR, in collaboration with the African Centre for Research on Bananas and Plantains (CARBAP), has introduced the seedlings from stem fragments (PIF) technique. This is an innovative technique of propagating plantain seedlings that is low-cost and has the advantage of enabling rapid mass production of seedlings (50 to 100 from a single stem). Production takes place over two or three months compared to a minimum of six months by the ordinary method, which produces four to five seedlings per plant. In addition, by the end of the first month PIF produces *in vivo* rustic plants that are obtained in a real environment and are free of weevils and nematodes. With support from CARBAP, the project selected improved varieties that are valued locally. At the date of this writing, 71 germoirs have been constructed and have produced 396,885 *in vivo* plants, of which 264,000 have been sold at CFAF 300 francs apiece. This impressive achievement was made possible by the selection and training of seed producers.



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Food in Africa - Cassava in Gabon

PDAR has also obtained significant results on producing and disseminating cassava plant material by setting up nurseries to supply producers with cuttings. In collaboration with the International Institute for Tropical Agriculture (IITA), the project selected improved varieties as well as local varieties resistant to the mosaic virus. The distribution of healthy mosaic-resistant cuttings has contained the virus, which was causing losses on yields on the order of 80 per cent. As of this writing, seed producers have been trained and 64 ha of nurseries have been set up, producing 6,135,800 cuttings, of which 4,923,000 have been sold at CFAF 25 francs.

To promote the emergence of advisory assistance operators, PDAR builds the capacities of various advisory assistance operators in the province of Woleu-Ntem to put in place local expertise adapted to the needs of producers and the targeted value chains. Competencies are strengthened mainly with theoretical and practical training, in the field and upgrading (participatory approach and diagnostics, gender issues, targeting and inclusion of the poorest, structuring producers' organizations) and value chains (microproject management, value chain approach). To date, the project has trained advisory assistance technicians to transfer knowledge, skills and attitudes to beneficiary farmers.

Investments are made in production by financing microprojects prepared by beneficiaries with help from these technicians and submitted to a departmental selection committee. The support provided to date to 858 microprojects has doubled the average areas under cultivation, increased production, and introduced small-scale processing and supply of numerous agricultural cooperatives in good quality plant material from seed fields. Farmers growing seed under the project are now the major suppliers of plant material in Woleu-

Ntem and surrounding provinces. For example, commercial transactions in 2016 by 20 producers of cassava and banana seed for the first crop year totalled CFAF 28,800,000. Other programmes in agriculture, such as the Gabonese Agricultural Achievements and National Initiatives (GRAINE) programme and the Agricultural Development and Investment Project in Gabon (PRODIAG), have purchased significant quantities of plant material from producers supported by PDAR. Commercial transactions by eight seed producers under GRAINE total CFAF 8,500,000 for the first cropping season of 2016.

Potential obstacles to achieving results

The intensification of agricultural production in Gabon faces two major constraints: changes in priorities by successive governments since independence and commercialization of agricultural products. Agriculture has long been marginalized in Gabon in favour of sectors deemed more economically profitable, such as petroleum. Developing the agriculture sector has become a challenge with falling oil revenues and the need to diversify the economy. The fact that the Government is determined to make smallholder agriculture a priority to bring about inclusive growth is crucial to obtaining results on a larger scale. PSGE reaffirms the intention of the Government to reactivate the sector.

The constraints inherent in commercializing agricultural products are as follows: (i) the semi-perishable nature of the products, particularly cassava and banana; (ii) limited bargaining power on the part of producers; (iii) lack of interest among traders and transporters in taking small and irregular volumes dispersed over several villages; (iv) lack of reliable information on market opportunities; (v) high labour costs; (vi) poor inter-connectivity between different links in value chains; and (vii) the poor condition of rural tracks. Scaling up the intensification of agricultural production must be accompanied by efforts to address these fundamental constraints.

Key pathways for scaling up

For IFAD, the pathways for scaling up results in Gabon involve building upon three main instruments – policy dialogue, projects and knowledge – to mobilize resources from other partners such as local communities, the national Government, the private sector, banks and other donors, and to bring about change in public policies.

Policy engagement

PDAR is an example of a fruitful approach to rural poverty reduction and promotes dialogue with political authorities and other stakeholders with a view to integrating such approaches into policies, institutions and national strategies. Emphasis will be placed on strengthening the pro-poor orientation of public policies on rural development and their implementation, as well as within responsible institutions, and on improving the capacity of national stakeholders to participate effectively in the process of public policy formulation. More specifically, IFAD will support dialogue on sector policies. To this end, it will support the operationalization of the new agricultural orientation law and the reforms involving restructuring the National Office on Rural Development (ONADER). It will also provide support for technical studies and for regional and national consultations to evaluate the current agricultural extension system. This work will lead to proposals for new training and outreach arrangements in tune with the current ambitions to develop crop and livestock farming, involving the private sector and research and development centres.

Project financing

IFAD has agreed with the Government to commence with formulating a new project inspired by the PDAR model to intensify agricultural production. Gabon's agriculture sector is divided into five zones: (i) Woleu-Ntem/Ogoué Ivindo; (ii) Ngounié/Nyaga; (iii) Estuaire; (iv) Haut Ogoué/Ogoué Lolo; and (v) Moyen-Ogooué/Ogooué-Maritime. A decision has been made together with the Government to implement the project in the first three zones with the possibility of a later phase in the fourth.

The results obtained by PDAR have elicited much interest from the Government, technical and financial partners and the private sector in Gabon. Within this context, IFAD has undertaken discussions with GRAINE, the African Development Bank (ADB) and the global agribusiness OLAM to seek partnerships and bring about change in public policies. There is a strong intention to build upon the PDAR approach and results in intensification of agricultural production.

IFAD also relies on its beneficiaries to scale up the intensification of agricultural production. As demonstrated by PDAR, the beneficiaries have already begun to use their own resources to expand the area of their seed fields, as well as to plant more hectares to banana and cassava following the techniques advocated by PDAR. When they see the positive results obtained by PDAR beneficiaries, their neighbours begin to replicate good practice, leading to the intensification of agricultural production.

Knowledge generation and sharing

Knowledge plays a particularly important role as it can bring about change by encouraging best practices and leveraging past experience. Thus, the dissemination of good ideas by one region to another can have highly positive consequences for development. To this end, IFAD will facilitate exchange visits at producers' organizations that have already achieved a good maturity level and model farmer entrepreneurs, especially those under 40. In the context of South-South cooperation, IFAD will promote exchanges on, inter alia, structuring farmers' organizations, commercializing agricultural products and employing young people in agriculture.

IFAD will continue to support provincial statistics offices so that statistics can become an informational tool in support of economic decision-making. Special efforts will be made to create a true value chain between M&E, knowledge management and communication to collect, process and optimize the use of the information and data generated by projects in the field, in multiple ways and using new technologies.

Drivers and spaces for scaling up

A key driver in scaling up the intensification of agricultural production in Gabon is the experience acquired under PDAR. This project shows that the significant difficulties faced by smallholder farmers as a result of rural poverty call for medium- to long-term action to open up rural areas, secure the supply of seed and small farm implements, and improve product processing and marketing. Another driver is the drop in oil revenues, which has caused the Government to include the development and promotion of intensive, sustainable and competitive agriculture among its strategic priorities.

Enabling conditions to put in place and potential obstacles to be lifted so that work on intensifying agricultural production in Gabon can come to fruition are located in the following spaces:

Institutional space

IFAD will continue to make use of its comparative advantage by investing in rural people and scaling up the results obtained, thanks to collective action and social capital. The experience acquired by the associational movement in Gabon is relatively short. IFAD will continue to support training for local organizations, by farmers or individual entrepreneurs, to enable them to become cooperatives or apex associations with a market orientation. When apex organizations reach sufficient scale and solidity, they can provide services directly to their members and shareholders or establish sustainable links with input suppliers, product buyers, specialized agro-technical service providers, microfinance establishments or banks. In addition, they are in a position to make their voice heard in the policy-making process. IFAD will support the development of a seed network for multiplication and dissemination of high-performance varieties of cassava and banana that can effectively meet the needs of the agriculture sector and serve as a building block for development of a certified seed market. In this way the gaps between the formal sector and smallholder producers can be filled, by ensuring the supply of quality seed at low cost in remote areas. Organizations of smallholder farmers will then become the main drivers for scaling up the intensification of agricultural production in Gabon, as IFAD's strategy is to support their efforts to carry on their own activities. IFAD will also continue to support the emergence of specialized proximity advisory assistance services to guide producers.

Financial/fiscal space

Scaling up the intensification of agricultural production in Gabon requires more financial resources. Accordingly, IFAD will seek partnerships with the Government, other donors such as ADB and the French Development Agency (AFD), and the private sector, including OLAM. To prevent overlaps and promote complementarity and synergies, IFAD will engage in dialogue with the other technical and financial partners. In addition, the support provided by IFAD to entrepreneurs in agropastoral value chains offering potential will continue to be based on sound economic models to ensure sustainability. Finally, as is currently the case with PDAR, scaling up will also take place with human and financial contributions from the producers themselves.

Political space

The stated ambition of the Government of Gabon, under the PSGE to 2025 and particularly its "Green Gabon" pillar, is to use the agriculture sector to diversify the economy and strengthen the drivers of inclusive growth. In the coming years the sector will be called upon to meet the country's food needs, create employment (the unemployment rate is 20.4 per cent nationally, but 61.6 per cent for young people aged 15 to 34) and allow for lower-cost marketing of staple foods through local production. To this end, the Government has decided to include the development and promotion of intensive, sustainable and competitive agriculture among its strategic priorities. In promoting the example of PDAR, IFAD will focus on strengthening the pro-poor orientation of public policies on rural development and their implementation, as well as within the responsible institutions, and on improving the capacity of national stakeholders to participate effectively in the process of public policy formulation.

Partnerships

IFAD will seek partnerships with, inter alia, the Government, national institutions, technical and financial partners such as ADB, AFD and the Food and Agriculture Organization of the United Nations (FAO), research centres, universities and research and development institutions. The primary interest of partnerships does not lie in the resources they can mobilize but rather in the access they provide to knowledge and in the mobilization of capacities, influences and dissemination potential they represent. In this respect, partnerships with the private sector, agrifood enterprises, microfinance establishments and banks, micro-insurance companies, the information and communications technology sector, promoters of innovations and technologies such as the International Consultative Group on Agricultural Research (CGIAR), national agricultural research systems, universities and knowledge networks such as IITA and CARBAP will be considered as a way of multiplying opportunities for scaling up results in the agriculture sector. Finally, the role of the media will not be neglected, as media coverage is a very cost-effective way of raising public awareness and setting up interest groups in favour of change. In this context, IFAD will continue to collaborate with local and national radio. In addition, IFAD will support local and regional linkages between producers and their groups with traders and transporters to facilitate marketing and increase value added accruing to different links in the agricultural production chain.

Cultural space

Achieving Gabon's ambitions for agriculture will require overcoming a number of challenges, beginning with putting attractive conditions in place to mobilize and stabilize rural assets as well as young workers engaged in farming. Agriculture currently offers little incentive for young people, who continue to prefer urban occupations in services. Few young people see their future in agriculture or in rural areas. There are many obstacles standing in the way of young people attempting to earn a living in rural areas, such as access to land, financial services, rural occupations and markets, as well as engaging in policy dialogue. IFAD will focus on youth employment in value chains to create an enabling environment and conditions in which young people can build their own future and make a contribution to society and to the communities in which they live.

IFAD will facilitate access by young people to resources such as land, water, inputs, production infrastructure, commercial and financial services, and to support services. The aim is for them, first, to undertake income-generating activities that will anchor them in their territory within the value chains targeted and, second, to strengthen their participation in grass-roots organizations and consultative and decision-making frameworks. Young people's interest in agriculture will be elicited by promoting agriculture as a profitable enterprise. To this end, presenting the trajectories of brilliant young farmers or agro-entrepreneurs as role models of professional success can only encourage young people to take up farming. At the same time, IFAD will provide rural young people with the skills and knowledge they need to farm and adopt environmentally friendly production methods. Within this context, IFAD will support the construction of the National Rural Development School (ENDR) in Oyem, in Wolleu-Ntem, as an integrated hub for development of agropastoral entrepreneurialism. This school enterprise will be an integrated training and production centre offering both short-term non-diploma professional training of one to five months' duration, and training in business or vocational youth employment in crop and livestock farming.

Environmental space

Gabon covers an area of 267,667 km², 80 per cent of which is equatorial forest. The country possesses natural resources and climate conditions of unquestionably high quality – vast expanses of green areas, arable land and an environment that lends itself to farming. More than 2 million hectares have the potential for industrial cultivation of coffee, cacao, rubber and palm oil in accordance with environmental standards. Large international groups have recognized these new opportunities and have already invested more than one billion dollars in multiple projects under public-private partnerships. To ensure the sustainability of scaling up, the impact of interventions on natural resources and the environment must be taken into account, to mitigate any adverse impact and enhance beneficial effects.

Monitoring and evaluation

The scaling up pathway should be pursued from the perspective of the outcomes and results of new projects. It should be verified that farmers' organizations have greater capacity to provide services to their members and communities to increase participation in revitalizing the local economy, while also seeking assurances that smallholder producers have access to markets and technologies for production, processing and reducing drudgery in farm work. In addition, it is advisable to pursue the creation of key spaces – institutional, political and fiscal – to enable progress to be made on scaling up. The achievement of such spaces may exceed the life cycle of the projects supported by IFAD. Within this framework, monitoring will need to cover the following:

- The number of agropastoral cooperatives providing services to their members, operating in the targeted value chains and participating in national dialogue on sector policies;
- The amount of financial resources allocated by the Government and by financial and technical partners for intensification of agricultural production in Gabon;
- The number of public policies on rural development strengthened in their pro-poor orientation;
- The number of partnerships established by IFAD in Gabon, including with the private sector, agrifood enterprises, microfinance establishments and banks; and
- The number of young people capable of building their own futures in rural areas in Gabon.

Key messages for scaling up in the country

IFAD can achieve results on a larger scale in Gabon if it makes effective use of three main instruments: project financing, policy dialogue and knowledge management. To this end, IFAD will need to adopt a more programmatic approach and endeavour to scale up to country level the results obtained on development in the broadest sense.

In view of the foregoing, IFAD's experience in Woleu-Ntem appears as an alternative for sustainable socio-economic rural development. Implementation of the project has led to:

- (i) mobilizing family farms and groups organized around economic and professional agricultural projects;

- (ii) setting up a seed network for multiplication and dissemination of high-performance varieties of cassava and banana;
- (iii) developing cassava and banana production with the use of a microproject support fund;
- (iv) promoting entrepreneurialism by structuring groups converting to cooperatives in accordance with prevailing regulations; and
- (v) promoting specialized proximity advisory assistance services to guide producers.

Nevertheless, IFAD will need to adopt a simple, flexible and realistic approach to project design, taking into account the lack of entrepreneurial and associational culture among producers and the limited execution capacities of participating institutions. In addition, it will need to ensure physical access to production hubs and facilitate direct linkages between producers and market actors. The PDAR beneficiary groups show real enthusiasm for production. Marketing initiatives are still tentative, hence the need for advisory assistance in support of a business orientation through capacity-building on market identification, pricing and negotiation, and the provision of commercial information.

Furthermore, the country programme will employ its mobilization capacity to ensure that the project's impact is sustained beyond completion – and will see to it that a public action framework as well as financial and fiscal resources are available to obtain sustainable results on a larger scale.

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November 2016