

FORTY-FOURTH SESSION OF THE GOVERNING COUNCIL
STATEMENT BY MINISTER OF FOOD AND AGRICULTURE, GHANA
THEME-RURAL DEVELOPMENT: A PREREQUISITE FOR GLOBAL RESILIENCE

Mr. Chairman,

President of IFAD

Honourable Governors

Distinguished Delegates

Ladies and Gentlemen

Let me first of all, congratulate Mr. Hounbo for his re-appointment as President of IFAD. Since his appointment four years ago, Mr. Hounbo has steered the affairs of IFAD to become more responsive to the needs of the rural poor to the point that many financial institutions now adopt the poverty alleviation model of IFAD in their lending policies.

The theme for this year, *Rural Development: a Prerequisite for Global Resilience* is very important especially at this time when countries are grappling with the effects of the COVID-19 pandemic and also finding ways of building resilience to future shocks. It is certainly a good sequel to last year's theme which highlighted the need to invest in sustainable food systems to end hunger by 2030.

In Africa, two thirds of the population live and work in rural areas, with agriculture being the main occupation. The rural communities are also most affected by poverty and hunger and were disproportionately affected by the COVID-19 pandemic. Experience has however shown that, with the right investments and interventions, the rural economy and agriculture has the potential to create millions of much needed jobs, as well as wealth, food security and resilience. The popular statement "No sustainable development without rural development" buttresses the point.

The limited investment in roads, water, electricity and other infrastructure is inhibiting the transformation of rural areas and agriculture. Huge post-harvest losses are experienced due to rotting of food harvests that cannot be easily evacuated to markets or to processing factories. Industries are unable to set up in rural areas due to the lack of water and electricity and poor road logistics to cart raw material to the industry or send finished products to markets.

The vulnerabilities of our food systems, exposed by COVID-19, give us the impetus to focus more on transformation of the rural areas if we have to be resilient to vagaries of the weather and other crisis such as the pandemic.

The time has never been more apt to act in a concerted manner to ensure accelerated development of our rural areas. This requires, putting in the needed infrastructure such as roads, irrigation, markets, water, electricity, good schools and health facilities. It requires, intensifying

agriculture and strengthening its linkages to industry to create jobs for women and youth in particular. It also requires exploiting the market opportunities and building capacities of actors in the agriculture value chain to produce and process the harvests to meet the quality and price demand, taking advantage of AfCFTA.

Recognizing the enormous potential of agriculture and rural development in economic transformation, Ghana embarked on a rigorous agricultural transformation agenda in 2017 through the “Planting for Food” and Jobs campaign with the aim of: increasing productivity and production, ensuring food security, creating jobs and wealth especially for the masses of unemployed youth and making Ghana a global competitor in the world food market.

The campaign, is being rolled out in five (5) modules:

- i. **Food crops module (Planting for Food and Jobs)** – aims at increasing productivity through increased access of small holder farmers’ access to improved seeds and fertiliser. Other interventions include enhancing access to extension services and market access.
- ii. **Tree crops module (Planting for export and rural development)** - aims at promoting selected crops for diversification, providing raw materials for industry and increasing export earnings. Each of the six crops targeted have the potential of earning over \$2billion annually when fully developed.
- iii. **Horticulture module (Greenhouse Villages)** - aims at promoting the production of high value vegetables for domestic market and export. It specifically targets the youth.
- iv. **Livestock module (Rearing for Food and Jobs)** - aims at increasing domestic production of meat including poultry to reduce or eliminate the over \$300 million annual imports of chicken. It will reduce imports and generate investments opportunities in the entire poultry value chain, thus creating jobs.
- v. **Mechanisation:** aims to improve access to mechanised services for agricultural operations along the agricultural value chain to improve efficiency and eliminate drudgery.

These specific interventions are at various stages of implementation and have contributed significantly to consistent improvement in the performance of the sector over the last four years. For example, sector growth rate increased from an average of 2% from 2014 to 2016, to an average of 5.2 % from 2017 to 2019.

Since inception in 2017, subsidised fertilizer and seed valued at \$470 million have been distributed to famers. Significant achievements have been made in terms of increase in yields and production of selected crops. For example, from 2016 to 2019, yields of rice and maize increased by 60% and 130% respectively. The country in the last four years increased its self-sufficiency level in rice production from 30% to 46% in 2019 and plans to be self-sufficient by 2023.

The PFJ, initiated prior to the pandemic, have provided a solid foundation and the building blocks to make the sector more resilient. Ghana’s food stability in the face of COVID-19, demonstrates a robust food system and food security situation that need to be guarded.

The impact of the COVID-19 pandemic is a stark reminder of the urgent need for countries to invest in agricultural value chains and food systems to be more resilient. The experience from Ghana shows that, building resilience would require that we focus on developing import substitution commodities that have the potential to save foreign exchange and create jobs. In all this, we cannot forget about increasing agriculture financing from both public and the private sector. There is the need to develop innovative and inclusive financing products to facilitate agricultural financing. Implementing the interventions will require concerted effort of Government, Development Partners, Private Sector and non-state actors. It is therefore important to enhance coordination to reduce the duplication of efforts and waste of resources.

At this point I wish to commend IFAD for the loan facility given to Ghana in response to COVID and urge the organization to continue to be unique and inclusive and its approach. The pandemic provides us with opportunities, and now more than ever is the time to take advantage and transform the rural and agricultural sectors of our country. Once again, I thank IFAD for this opportunity and for their continuous support to Ghana.

It is my singular honour to announce that, Ghana has increased its contribution to IFAD resources from \$600, 000 in the last two cycles to \$2 million for the 12th Replenishment cycle.

We look forward to working together to achieve rural development and a world free from hunger

Thank you