

Investing in efficiency of Africa's small-scale farmers a game changer



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"Crop yields in Africa are low compared to those in other regions: only 5% of the cultivated land in Africa makes use of irrigation, for example, compared to 38% in Asia... Technology enables African smallholder farmers to access better information, improve crop yields, secure better prices for their produce, and improve their livelihoods."



Ashley Boag, Chief Business Officer, SAPAfrica

This according to Ashley Boag, chief business officer, SAP Africa in his article <u>You can't eat your smartphone: Why agriculture is the first frontier of African innovation</u>. For Boag, investing in improved efficiency of small-scale farmers and the technologies that will enable this, is a game changer.

What are the biggest trends in the industry?

- · Overall efficiency improvement
- Improvements in small-scale farmer contribution and efficiency in Africa
- Making the small farmer part of the community by increasing his share of the final crop value
- Improved seed (resistant, etc.) and fertiliser (many focused on biotech which is still controversial and has hurdles to get over in various countries)
- Smart farming
- · Given overall water scarcity, there is a focus on water-efficient farms
- A worldwide shift to being more eco-conscious (less meat,

alternatives, etc.) This trend is less pronounced in Africa and developing markets. This also impacts things such as traceability improvements, etc.

III What will the game-changing trend be?

In Africa, the empowerment and support of efficiency in small-scale farming - including linking them to the formal economy and access to improved seed and fertiliser.

₩ How big a role will technology play in agriculture in Africa, particularly in terms of the trends you have identified?

Huge. This is one of the key growth drivers expected to support efficiency gains and increased output internationally, from biotech to automation

- **III** What are the biggest challenges to the adoption of new technologies into African agriculture?
- The lack of maturity in using tech in Africa and lack of funds. As a large amount of agriculture in Africa is small-scale

farming to feed the local community, they typically do not have the critical mass for these investments nor the knowledge on what is available and how to access it.

• Technology platforms that work in the rural areas.

Are there any opportunities that businesses in the industry should go for?

- Efficiency gains through anything from improved communication, linking to the formal economy, improved methods, automation and vertical agriculture.
- Improved sourcing to reduce input costs
- Information sharing to improve crops and processes (product and process knowledge)

III What do you hope to see more of in 2018?

Investment in improved efficiency and for the acceleration in technology and agriculture specialisation to continue. Today's farmers have become more specialised due to technological advances in agricultural production. Data analysis in the years ahead will supplement what farmers know intuitively - and in some cases challenge those assumptions.

*Ashley Boag was interviewed by Cari Coetzee.
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