News Release

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Grow Africa Partners Double Investment Plans for Agriculture to $7.2 billion

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Oliver Cann, Associate Director, Media Relations, Tel.: +41 (0)79 799 3405, Local

Tel.:+234 80 9035 2566 Email: oliver.cann@weforum.org

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- Partners of the World Economic Forum-supported Grow Africa initiative double commitments for agriculture and food security to $7.2 billion in 2013
- Nearly $1 billion already invested, creating 33,000 jobs and helping over 2 million smallholder farmers
- The Grow Africa Investment Forum takes place in Abuja, Nigeria, on 6-9 May 2014 in parallel to the World Economic Forum on Africa

Abuja, Nigeria, 2 May 2014 – Investment commitments by partner companies of Grow Africa – a programme established by the World Economic Forum, NEPAD and the African Union to accelerate the transformation of African agriculture – doubled to $7.2 billion in 2013. The increase in committed funding is captured in the Grow Africa Annual Report, released today.

Of the $7.2 billion in new commitments, Grow Africa partners have already invested $970 million. This has directly led to the creation of 33,000 new jobs and the assistance of 2.6 million smallholder farmers throughout the continent.

Grow Africa measures both these metrics in order to ensure that investment contributes to both economic growth and food security. The assistance it provides to smallholders includes provision of new services, sourcing, contracts or training.

According to the report, most investment to date has been made by companies from within Africa. Half of all invested funds to date have been directed to Nigeria. This reflects the size of the country ' s economy, but also renewed political commitment in the country to agriculture that has made it attractive for domestic and international investors.

The increase in investment confirmations outlined in the report is consistent with a broader growth trend in African

agriculture which, according to the World Bank, will triple in size by 2030 to become a $1 trillion industry.

As well as highlighting investment, the Grow Africa Annual Report also identifies a number of innovative best practices that are designed to assist African farmers looking to scale up their businesses. Some promising models in this area, highlighted in the report, are new public sector bodies such as the Agricultural Transformation Agency in Ethiopia, as well as frameworks to attract private sector investment into specific regions, including Tanzania ' s Southern Agricultural Growth Corridor (SAGCOT).

The report also reveals the challenges that Africa ' s agriculture sector must address if it is to achieve its potential. The most frequently reported challenge is lack of access to, and affordability of, relevant financial products. The second most referenced constraint is a lack of alignment between (and within) public sector institutions and the private sector, which slows down, or deters, investments and project execution.

" The 2013 Grow Africa report shows good progress on many fronts, but overall, it shows that the level of investment, and the speed and reliability of reforms to the sector remain too slow to be truly transformative for

Africa ’ s smallholders, ” said Ibrahim Assane Mayaki, Chief Executive Officer of the NEPAD Planning and Coordinating Agency, one of the three Grow Africa co-founders. “ Governments must accelerate action to improve the enabling environment in response to market priorities and the private sector must innovate and be willing to take on and share risk."

“ The year 2014 is a clarion call for concerted efforts by governments, farmers, development partners and private sector players to sustain CAADP momentum, ” added Rhoda Peace Tumusiime, Commissioner for Rural Economy & Agriculture at the African Union Commission. “ In particular, we need to ensure well-designed public investments in agriculture result in better inclusion of women, who make up the bulk of smallholder farmers yet do not benefit equally from investments in agriculture. ”

There remains huge potential for smallholder farmers and other rural communities, and especially women, to increase yields by accessing the right knowledge, tools, seeds, fertilizers and market opportunities.

“ Grow Africa's focus for 2014 will remain on creating better linkages between stakeholders and projects to accelerate the speed of return on investment, ” said Grow Africa CEO Arne Cartridge. “ We will also put specific emphasis on projects that engage African youth at a time when so many are moving to cities. Nearly 90% of rural youth who work in agriculture contribute up to one third of Africa ’ s GDP and we cannot afford to lose this growth driver. ”

Grow Africa was co-founded in 2012 by the African Union Commission, the NEPAD Agency and the World Economic Forum as an African-owned, country-led, market-based and inclusive approach to support implementation of Africa ’ s plan for agricultural transformation – the Comprehensive Africa Agriculture Development Programme (CAADP).

The 24th World Economic Forum on Africa is taking place in Abuja, Nigeria, on 7-9 May under the theme Forging Inclusive Growth, Creating Jobs.

The Co-Chairs of the meeting are: **Dominic Barton**, Global Managing Director, McKinsey & Company, USA; **Jean-François van Boxmeer,** Chairman of the Executive Board and Chief Executive Officer, HEINEKEN, Netherlands; **Aliko Dangote,** President and Chief Executive Officer, Dangote Group, Nigeria; **Bineta Diop,** Special Envoy for Women, Peace and Security, African Union and President, Femmes Africa Solidarité, Switzerland; **Jabu A. Mabuza,** Chairman, Telkom Group, South Africa; **Sunil Bharti Mittal,** Founder and Chairman, Bharti Enterprises, India; and **John Rice,** Vice-Chairman, GE, Hong Kong SAR.

Notes to Editors

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WORLD ECONOMIC FORUM
World Economic Forum, 91-93 route de la Capite, CH-1223 Cologny/Geneva
Tel. +41 (0)22 869 1212, Fax +41 (0)22 786 2744, http://www.weforum.org