

## AfDP's agro-industrial processing zones will drive agriculture in Africa, says investors

Nigerian government officials and key investors have endorsed the African Development Bank's Special Agro-Industrial Processing Zones (SAPZ) initiative, describing it as a pathway to Africa's agricultural revolution. SAPZs are designed to concentrate agro-processing activities within areas of high agricultural potential in order to increase productivity and competitiveness. The initiative will provide millions of youth and rural men and women with employment and entrepreneurship opportunities.



Speaking at an investment forum held Tuesday, 30 April 2019 at the bank's office in Abuja, Nigeria's Minister of Agriculture and Rural Development, Audu Ogbeh, said the country was eager to work with the Bank to develop SAPZs.

"I can't thank the African Development Bank and all the investors gathered here today enough. We need to make agriculture work again. It is with initiatives like this that we can truly create wealth and employment for our teeming youth population," said Ogbeh.

The investment forum was an opportunity to secure the commitment of key agribusiness companies and banks in the planning, investment and implementation of priority SAPZs in Nigeria.

Key participants included top government officials and big industry players, including the Dangote Group, the Manufacturers Association of Nigeria (MAN), Flour Mills of Nigeria, Olam International, the Nigeria Private Sector Alliance (NiPSA), the International Labour Organisation (ILO), commercial and development banks, the United Nations Industrial Organisation (UNIDO), and the Cocoa Association of Nigeria.

### Boosting the GDP of rural regions

Professor Banji Oyelaran-Oyeyinka, Special Adviser on Industrialisation to the African Development Bank President, said the initiative could boost the gross domestic product (GDP) of rural regions and bridge the rural-urban divide. "Nigeria currently trails in the supply of quality agro-processing products. Nigeria must take advantage of the opportunities in this

sector to create non-oil sector jobs and raise its GDP," he said.

Africa could become a net exporter of agricultural commodities, potentially replacing imports worth \$110bn. The continent could also double its market share for selected processed commodities. The value of Africa's agribusiness sector is expected to reach \$1tn by 2030 and has been described as the next "oil sector".

"This investors' forum is extremely critical. Those of us working in the sector will work closely with the African Development Bank and the government of Nigeria on this huge opportunity," said businessman Mansur Mohammed Ahmed, Executive Director of the Dangote Group and Chairman of the Manufacturers Association of Nigeria (MAN).

"We support the SAPZs intervention of the African Development Bank. Our Group is interested in investing in agri-inputs production and supply across the Special Agro-Industrial Processing Zones to be set up," said Sadiz Kassim, Director at Tropical General Investments Group (TGI Group) – a major industry player.

Together with its development partners, the Bank is investing heavily to rapidly scale up agricultural production. The SAPZs depend on strong public and private sector partnerships.

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