

Democratic Republic of Congo

Consultative Group – November 29-30, 2007 Working Session on the Agriculture and Rural Development Sector

Medium Term Priorities for the Agriculture and Rural Development Sector

The Government of the Democratic Republic of Congo and the international community have a common objective for the rehabilitation of the agriculture and rural development sector in DRC.

Agriculture accounts for 56.3 percent of the GDP of the DRC and is the main source of livelihood for 70 percent of the population, especially the poor. Agricultural production comprises of 79 percent cropping activities, 12 percent fisheries, and 9 percent livestock. Close to 66 percent of the total agricultural land is devoted to pasture and 34 percent to crop land, which is dominated by staple food crop production. In addition, the wide range of agro-climatic conditions bodes well for cultivating a diversity of crops. However, since 1984 food crop production has, on balance, shown little growth, while production of tree crops has continued to decline.

In significant portions of the country, agriculture has regressed to mainly subsistence agriculture due to destabilization of the sector resulting from the disconnection between producers and markets, lack of hostile business incentives, and the collapse of the infrastructure. Food production in DRC is almost entirely in the hands of small farmers engaged in traditional agriculture on small plots of land. Average per capita cultivated land use in the DRC is estimated at 0.20 ha. But land is less equally distributed in the DRC than other countries.

Key Issues and Government Strategies

Rural infrastructure rehabilitation: due to missing road links between the producers and clients, farmers are on one hand unable to purchase seeds and tools, and on the other, they are unable to get their produce to the markets. There is a critical need to build/rehabilitate the rural roads as well as developing basic infrastructure, including storage and processing facilities to enable the sector to increase its productivity and efficiency, to expand into value-adding functions, and to develop supporting agric-industries.

Ensuring provision of agricultural inputs: despite several seed multiplication and dissemination programs, many farmers still complain of difficulty in accessing seeds. The priority is to ensure a mechanism for agricultural inputs provision.

Building institutional capacity: public institutions that should provide services to the agriculture sector have broken down for all of the usual reasons. The inadequate supply of basic agricultural services, such as research, extension, veterinary and pest management services threaten agricultural growth and development objectives. Building institutional capacity in the sector remains a priority for ensuring the restart of agriculture production in a sustainable manner.

Ensuring access to rural finance: The DRC's agriculture sector is comprised primarily of small-scale producers with weak capitalization. Lack of access to finance and credit affect producers' ability to purchase necessary agricultural inputs. Ensuring the development/promotion of rural finance structures will facilitate access to credit.

Enhancing policy environment: The prevailing policy environment significantly constrains the revival of the agricultural sector. Existing regulations and fiscal policies are not conducive to

productive economic activities. There are multiple taxes at all levels including abusive tax practices by government employees. There is a continual need to revise the regulations and fiscal policies to facilitate the promotion of small agricultural enterprises.

International Community:

The International community is working closely with the Ministry of Agriculture to help rehabilitation of agricultural sector. The Belgium has financed the institutional assessment of the Ministry of Agriculture and has developed a capacity building program. The ADB has financed several agricultural rehabilitation projects in selected sites for about 65 Million of UC. The IFAD has financed agriculture rehabilitation projects in selected sites for about \$49 Million. The UNDP has financed a community development project for about \$25 Million. The World Bank is developing an agriculture rehabilitation project including sectoral capacity building for about \$120 Million. In addition, several other initiatives are being developed. Other partners active in the sector comprise: FAO, EU, and USAID.

Risks:

There are a number of risks that could disrupt achievement of DRC's sectoral objectives:

- Delays in preparation and delivery of intended support from donors would keep from improving the restart of the agriculture production and ensuring food security.
- Lack of coordination amongst the donors might lead to duplication of support, especially since none project can cover the entire country at once, there is a critical need for donor coordination by the government to avoid concentrating all the support only to some specific sites (access being critical)
- Good governance and operational capacity are critical to the success of the different programs.