



# KARIM LOTFI SENHADJI

CEO of OCP Africa

## Robert DOSSOU

I would now like to give the floor to Karim Lotfi Senhadji, Director General of OCP Africa in Morocco. He managed many companies before becoming head of OCP.

## Karim LOTFI SENHADJI

Thank you, Mr. Dossou. I am indeed here today to talk to you about what the OCP group is modestly doing, on its scale. Its aim is to contribute to our continent's socio-economic development through the various entities that make up the group, especially OCP, whose aim is to promote the development of Africa's agriculture by making the shift from subsistence farming to value-creating agriculture that enables African farmers to make a living from their activity.

Before I do so, if I may, I'd like to share with you some observations that have been recalled by my co-panelists. I propose envisaging what our continent could look like by 2030 if none of the decisions to which we have all referred today are taken. If no breakthrough action is taken at the level of our continent, this is the picture we could have.

First of all, the African continent could lose up to 100 million hectares of arable land, due in particular to the impacts of climate change, deforestation, urbanization and the fact that African soils are not regularly replenished with vital nutrients. Not having this arable land will further increase the food import deficit. By the end of 2017, even in 2018, African countries imported over \$70 trillion worth of food. This figure would quickly rise to \$100 trillion. That is the equivalent of four transcontinental trains. That is the equivalent of more than 70 ports on the African continent. We must see the urgency we have. If nothing is done, over 90% of the world's population living on less than \$2 a day will be in Africa. If nothing is done, over 200 million Africans will have no access to drinking water, with all the consequences that can entail.

We talked earlier about urbanization. Today, Africa has about nine cities with over five million inhabitants. If nothing is done, in 2030 there will be 22. That is almost impossible to manage. It is therefore urgent that rural populations be able to stay in the countryside and find ways to make a living there.

It is also a fact that by 2030, 40% of Africa's population will be under 18 years old, which in theory is an asset. However, if this population has no access to food, water and jobs, it will be a real time bomb. Meanwhile, as Ms. Guigou said, over 3.5 million Africans will migrate either to Europe or to other continents to flee poverty.

We all agree, I have no doubt, that this is not the Africa we want to leave to our children, or even ourselves, since 2030 is tomorrow. It is time to take the necessary action to make Africa self-sufficient, particularly in terms of food, and also to work on creating value locally. Until now, Africa has only exported raw materials and created very little local value. It is therefore important to develop not only agriculture but also industry and food processing.

Like it or not, Africa is a blessed continent. We have an enormous amount of raw materials. We have plenty of water. We have many people. I agree with something a speaker said earlier: two and a half billion people is not overpopulation. The continent is more than capable of having them. However, we must be able to process and develop raw materials in an economically viable and sustainable way.

It's also time to make Africa a safer bet for investors. There many funds in the world today that are willing to come and invest in our continent. Unfortunately, we do not yet have the legal and judicial framework that allows these funds to do that. They think it's too risky. This can and must change very soon.



That is where we could be within the next 10 years or so. Africa is in danger of vanishing from the historical stage, as Ms Guigou put it, unless we take charge of ourselves and make our continent what it can be by realizing its potential.

I would also like to share some facts from the FAO with you. The world's population is around seven billion, which by 2050 is expected to be around nine billion, an increase of around 20%. Meanwhile, per capita arable land will de facto decrease and produce less. But if we look at the population's food needs in 2050, grain output will have to almost double compared to 2007. As the graph shows, most of this growth will come either from arable land that is not yet in use or from higher agricultural productivity. Knowing that regions such as the Americas, Europe or Asia are almost at peak productivity today, it goes without saying that Africa is the solution since more than 60% of arable land is still unused there. Above all, African agriculture is not currently at its highest potential since we have, as the graph shows, a fairly perfect correlation between the rational consumption of fertilizers and the productivity of different crops. On average, African countries consume 12 to 15 kilos per hectare, whereas the world average is around 100 kilos. We can clearly see that in terms of yield of what are called food crops, our productivity is about 2.5 below the world average. On legumes, we are at about the same ratio.

We see, on the one hand, that the world will have to overcome the challenge of food security. On the other hand, Africa has today all the potential to meet the challenge of global security, not only for its population, which will rise to one billion by 2050, but also for the rest of the world. We must therefore implement actions that will enable us to move from subsistence farming to commercial agriculture.

What has been done at the OCP group level? It is already clear why Africa is in this situation. We told ourselves that in order to improve the farmer's productivity, the farmer must have access to the right inputs, at the right time, in the right place and at the right price. For the last three or four years, these have been the main activities of the group's entities: ensuring that we can produce African fertilizers locally with African raw materials, and the same goes for seeds. We have also drawn up fertility maps because we need to know more about our soils to ensure that they give a better yield. Here we realize that we have inherited a lot from the colonial period, because we continue to use formulas that used to make sense either economically or for other reasons. We need to get out of this situation and, above all, to inform our farmers and get them to change their habits and farming practices. This is essential to improve productivity.

However, that is not what will make a farmer's living. The farmer will tell you: fine, I will increase my yield, but what can I do with it? Then you have to create an ecosystem that is going to allow him to sell his products. That is where we come to an approach that is a bit different from what we have been using up to now. The partners in the agricultural value chain have to be able to work together to create a virtuous circle. In several countries we have carried out this experiment, which has borne fruit and been a complete success. The challenge is being able to do it on a larger scale. Today we reach about 300,000 farmers, while there are 800 million farmers in Africa. Clearly, we must shift into a higher gear.

We have also realized that the ecosystem around the farmer is not enough. We need to expand, to get out of the partnerships between the players in agriculture and see other partners who can contribute to the development of farming. I am thinking of partners in the area of energy, which is extremely important, because agriculture needs energy. Beyond that, being able to put certain villages into a grid creates activity that generates value, which is reinvested at the farmer's level.

We have put a special focus on youth. As I said earlier, over 60% of the African population in 2050 will be under 25 years old. It is therefore vital to support young people through education, but also by implementing processes and structures that enable them to find self-fulfillment and create jobs and rural employment. Here too, if we imagine that letting them go to the cities will solve the problem, personally, I don't think it will be possible. We must be able to offer these young people job opportunities wherever they are in order to avoid urban migration.

It is also important to get universities involved. Generally, we don't have enough research and development in Africa today. We think agriculture doesn't really need research and development. That is totally wrong. That is why a university has been set up within the OCP group called the Mohammed VI Polytechnic University, which is not far from here and is doing a lot of research and development in various fields ranging from agrotechnology to biotechnology and nanotechnology. These are important today. I think this model, even at the world level, will become extremely



structuring and important. We must be able to establish a relationship between the business world and academia [inaudible] so that one can identify the problems and the other can find solutions, and concrete ones. We cannot stay in research and development forever. At some point, we have to be able to put things in place.

Here too, through the various partnerships we have set up—and this is a strong message from us—we don't think we can do things alone. It's important to have public and private partners. I deeply believe that in order for us to successfully transform Africa, the private sector will have to work with the public sector and vice versa. They will both have to be on board at the same time. Most of the time we see politicians or public officials start to think about a number of things and only at the end do they involve the private sector. That doesn't necessarily achieve the best results.

In conclusion, to underscore the importance we are giving today at the OCP group level to research and academic careers, we have set up a number of training courses and R and D programs, not just between African universities, but also between African universities and international universities, that help to define, which was said a moment ago, specific models for Africa. We cannot continue to "copy and paste" and import to Africa something that has worked elsewhere because it won't work here. Our problems are specific. We must be able to identify them, analyze them in this context and find solutions.

Lastly, and this is in line with what I was saying earlier about the importance of youth and gender, we have also launched a program called Impulse to support innovative start-ups in Africa. It is an incubator and an accelerator. A group of African start-ups has been selected. They'll be followed for 12 weeks at university level, which will give them the means to carry out their projects. This is extremely important because this fabric, this fragmented fabric, is what will ensure that the whole continent moves forward. We won't get there by setting up big companies or big projects.  
*(Applause)*

**Robert DOSSOU**

Mr. Senhadji, thank you for your rich presentation.