



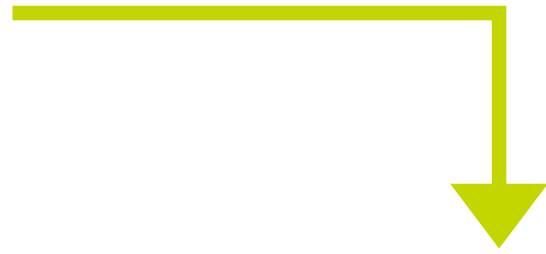
PLANTING FOR FOOD AND JOBS PHASE II (PFJ 2.0)



Presentation to the Media
Presented By:
Ministry of Food and Agriculture



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Background

Overview of PFJ

- The Ministry of Food and Agriculture (MoFA) has been implementing the Planting for Food and Jobs (PFJ) since 2017
- There were 5 modules of the PFJ campaign: Food Crops, Livestock, Tree Crops, Horticulture, and Mechanization
- The key objectives were to:
 - (a) Ensure **food security**;
 - (b) Increase **productivity and production**;
 - (c) Promote **import substitution**;
 - (d) Promote **exports**;
 - (e) Promote **value addition and agro-processing**; and
 - (f) **Create jobs and wealth, especially for the**

Key achievements include.

- Average agricultural sector **growth rate** of **6.3%** (2017–2021) from **2.6%** (2016)
- Food **Self-sufficiency** in major food staples such as maize, cassava, plantain etc.
- Increased **crop yields** for maize, rice and soya by 135%, 67%, and 18% respectively.
- Increased **domestic production** of rice (570,000mt to 1,143,000mt, 2016 to 2021 respectively)
- Increased use of certified seed and fertilizer
 - Seed (10% to 35%, 2016 to 2021)
 - Fertilizer (12kg/ha to 25kg/ha, 2012 to 2021)
- Increase in non-traditional agriculture exports, e.g. yams

Major
successes
of
PFJ

The PFJ encountered some limitations during its implementation

These include the following:

- Limited access to agricultural **credit**
- Limited adoption and application of the **value chain approach**
- Limited focus on commercial **large-scale farmers**
- **Budgetary strain** on government
- Low prioritization of **national food storage capacity**:

Limitations
/Challenges



The PFJ 2.0 Model

Overview of the model

The PFJ 2.0 | Strategic objectives, principles and key elements

THE PFJ 2.0C

Objectives of PFJ 2.0

The PFJ 2.0 is modeled to address the challenges to ensure that the KEY objectives are met:

- Ensure **food availability**,
- Promote **import substitution**,
- Promote **food export**,
- **Job creation**,
- Ensure **food security and resilience**.

Key Elements

- It is a five-year programme anchored on four main principles:
 - **Value chain driven**
 - **Private sector focused**.
 - **Market driven**
 - **Inclusivity**

The PFJ 2.0 | Strategic objectives, principles and key elements

2.0
Progra

Key
Elements

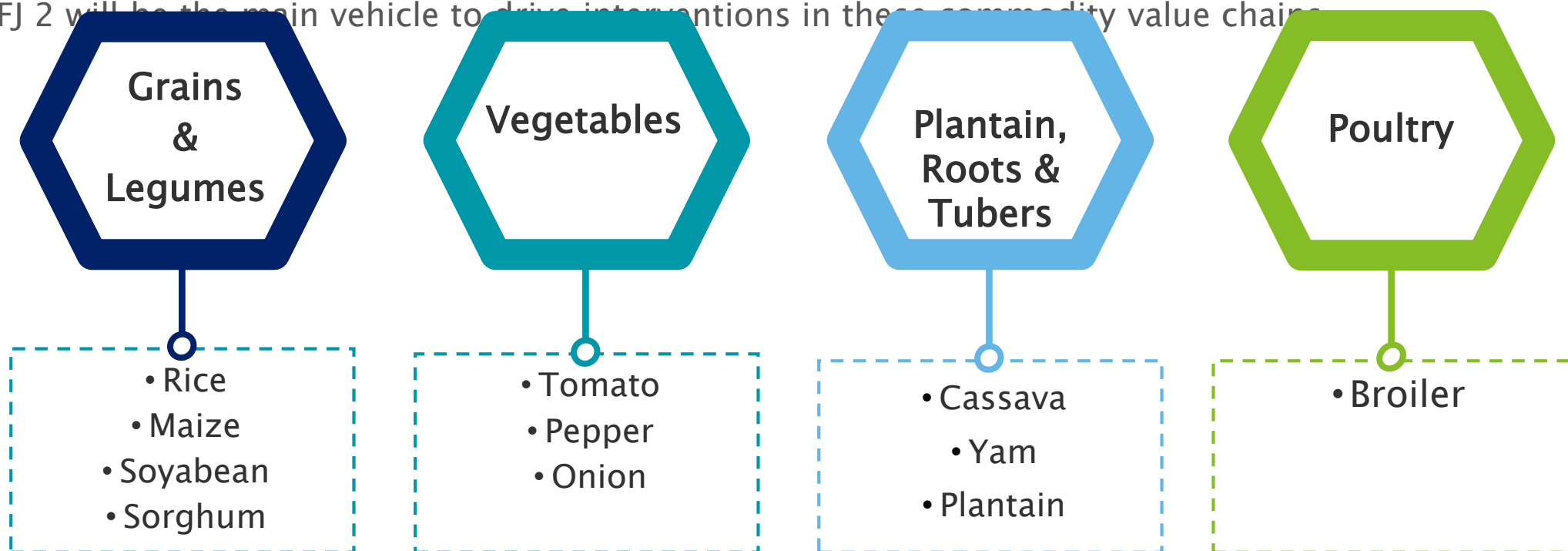
The PFJ 2.0 will move away from direct input subsidy to smart agricultural credit.

- Key elements include:
 - **Input Credit System**
 - Quality Fertilizer
 - Improved Seeds
 - Support Services
 - Day-old chicks
 - Feed and vaccines
 - Secured Credit
 - **Storage and Distribution Infrastructure**
 - **Off-taker arrangements / Commodity trading** – to guarantee market and stabilize prices
 - **Digital Agricultural and Agribusiness Platform**
 - **Line of sight management, monitoring, and coordination.**

The PFJ 2.0 Model | Priority Commodities

Eleven priority commodity value chains have been selected for the realization of the objectives of the PFJ 2.0.

PFJ 2 will be the main vehicle to drive interventions in these commodity value chains.



- The basis for the selection include:
 - The **significance in the diets** of Ghanaians across the country.
 - Contribution to **food and nutrition security**.
 - Contribution to **foreign exchange earnings**
 - **Job creation**
 - **Available resources** requires prioritization

Commodity	Commodity Targets (2023-27)							
	Baseline	Base Self-Sufficiency (%)	Immediate	Short	Medium	Long-Term		Target Self-Sufficiency (%)
	2022*		2023	2024	2025	2026	2027	
	Production ('000 MT)		Production ('000 MT)					
Maize	3,401	114	3,747	4,147	4,557	4,910	5,409	151
Rice (Paddy)	1,227	46	1,263	1,725	2,088	2,522	3,066	101
Soyabean	255	90	314	428	591	903	1,256	120
Sorghum	427	105	460	546	657	819	955	118
Plantain	5,965	116	6,185	6,434	6,688	6,940	7,192	123
Yam	10,875	103	11,153	11,543	11,733	12,380	13,134	112
Cassava	25,881	120	27,229	28,325	29,619	30,533	31,656	127
Tomato	468	37	534	715	1,177	1,576	1,966	115
Pepper	153	39	177	214	271	343	433	100
Onion	178	29	206	272	359	474	625	103
Poultry	15	5	25	75	150	300	450	119

The PFJ 2.0 Model | Key Actors

1

Aggregator

- Central to model as an **anchor player**
- Responsible for **providing production inputs**, namely agro inputs (including seed fertilizer, and chemicals) and **mechanization** and **extension** to farmers
- Ensure that **farm produce** equivalent to the cost of inputs and other services are **recovered**.



2 FIs

Financial Institutions (FIs)

- The financial institution in this program will be responsible for **issuance of payment guarantees backed by undertakings from Government**, to input suppliers to provide inputs on credit.
- They will also be responsible for **disbursement of all funds under the programme** and **receipts** of payments from off-takers. Participation will be open to interested Banks who satisfy a set criteria.



3 ISs

Input suppliers (IS)

- Under this program, input suppliers are identified **as private input dealers** who will sign onto the programme to **supply inputs** such as fertilizers, seeds and other agrochemicals to farmers **through a designated aggregator**.



4 Farmers

Farmers

- The farmer is responsible for **production**
- Each Farmer will be **registered with unique ID** and biometrics captured
- Each Farms GPS coordinates will be **mapped** indicating the **size** and the **commodities** produced



The PFJ 2.0 Model | Key Actors

5 Service providers

Service providers (AMSECS and Extension Agents)

- Service providers mainly operators of the **Agricultural Mechanization Services Centers (AMSECs)** and **extension agents** will provide reliable and programmed technical services.
- **Extension services** would be in the form of farm visits, field demonstrations etc. AEA would be **assigned to aggregators in the zones**
- **Mechanization services** will include the **gamut of activities from land preparation**, land development, planting and harvesting.



6 WICMs

Warehouse Infrastructure and Collateral Managers (WICMs)

- To ensure food safety standards and facilitate marketing of farm produce, **certified warehouses equipped** with all necessary equipment and apparatus for weighing, handling, sampling, grading, fire-fighting and insect pest management will be utilised under the programme.
- Managers will ensure these facilities have adequately trained staff with expertise and knowledge for the scientific storage of goods in the warehouse.



7 Off takers

Off takers

- Consist of **industry, wholesalers, processors, NAFCO, institutions, market women**, etc. who will buy produce from warehouses and make deposit payment at financial institutions.

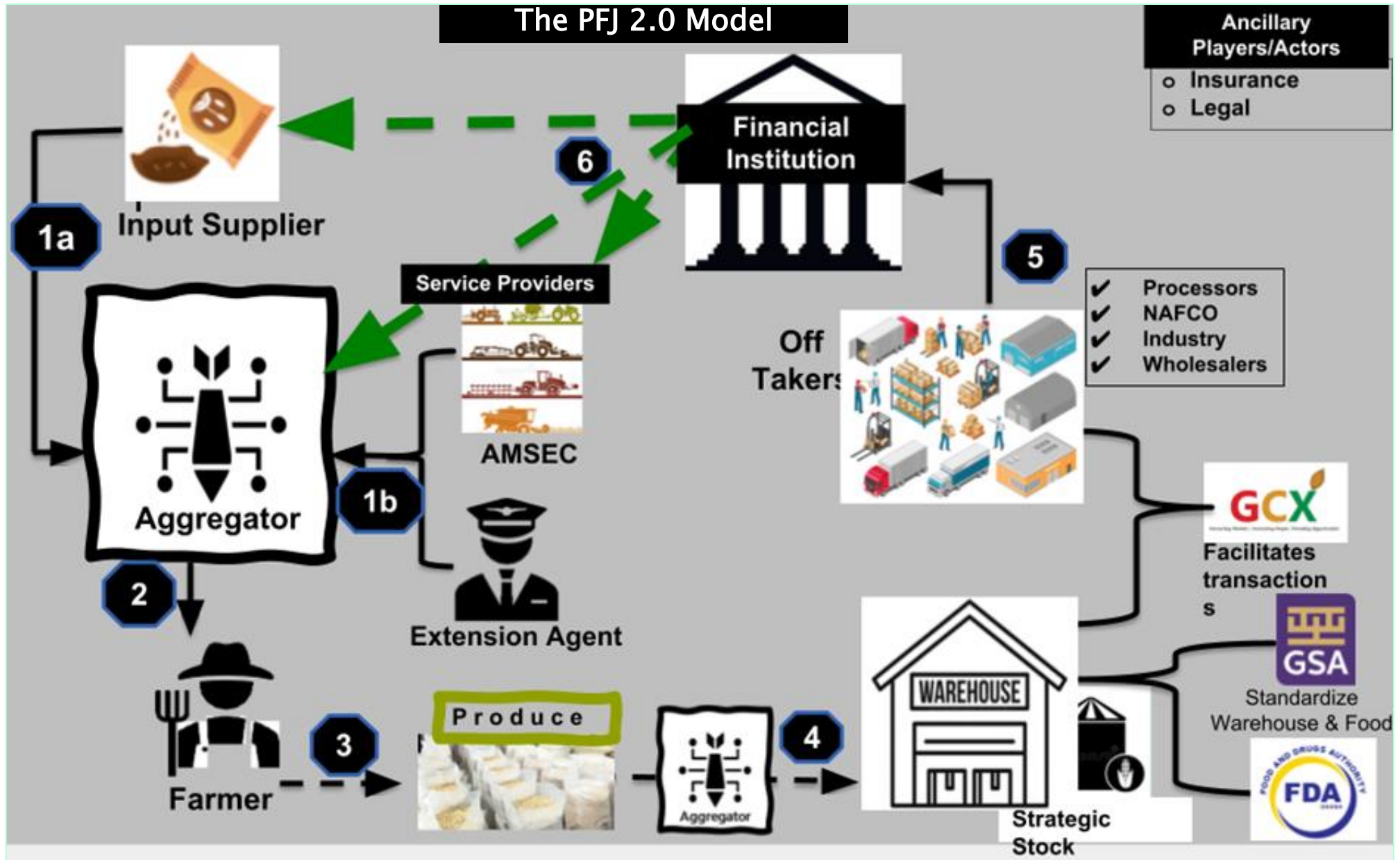


8 Others

Ancillary Players/Actors

- To ensure improved financial and production risk management, the programme will engage some key **insurance institutions** and Ghana Incentive Risk Sharing System for Agricultural Lending Project (**GIRSAL**) to **provide guarantee cover** to actors within the programme.

The PFJ 2.0 Model | Summary of model



The Inputs Credit System | How the model works



- Each Aggregator will be assigned a **zone**
- All farmers within the zone interested in joining the programme will be registered biometrically with unique IDs, and farms geo-referenced.



- Input Supplier and Aggregator sign an **Input Supply/Sale Agreement** to supply agro-inputs (seeds, fertilizer, etc) to Aggregator on deferred credit payment terms.



- Aggregator simultaneously enters into **Input credit and service agreement with the farmers**. (NB: Inputs would have been pre-selected by Farmers).
- Aggregator supplies input and services to farmers under a deferred payment term



- Input Supplier may require **a payment guarantee for the inputs supplied** to the Aggregator on the credit terms required by the model – i.e., deferred payment period that coincides with the crop production cycle.



- **MOFA facilitates the arrangement of a payment guarantee from Participating Bank** either in the form of a Bank Guarantee or Stand-By Letter of Credit (SBLC) to input supplier

The Inputs Credit System | How the model works



- The aggregator will be required to provide a **performance guarantee up to 30%** of the value of inputs in favour of MoFA/GoG to provide **partial cover** for the risk taken by Government.



- Aggregator **provides inputs and support services** to farmer and monitors farmer's operations until harvest time.



- At harvest time, **Aggregator mobilizes resources to collect portion of harvested produce** equivalent to the agreed cost of inputs.
- **Price of produce will be determined** at the beginning of the season.



- The collected produce (repayment produce) is **transported by Aggregator to designated warehouses**.
- Produce is sold to Offtaker, who then makes **payment to the Bank** within 24 hours of delivery.

Digital Agricultural and Agribusiness Platform



- An integrated and interoperable digital platform to **facilitate ready access to data, expertise, inputs, finance and market linkages** etc.



- The Digital platform has a **collection of applications** that caters for the needs of various stakeholders/actors in the value chain



- Solutions includes:
 - **Digital extension** and advisory services
 - **Digital traceability** of inputs and outputs
 - **Farmer management** and postharvest handling
 - **Logistics** and digitized mechanization services
 - **Finance and payment Systems**
 - **Monitoring and evaluation tools**
 - **Macro-agricultural intelligence systems**

What problems will the PFJ 2.0 model solve?



Access to credit



Barrier to Entry



Access to Quality Input



Access to Farm Services



Food Security and Resilience



Unsustainable subsidy



Unstructured Market



Expected Impact

— *highlighting expected benefits*

The PFJ 2.0 Model | Expected Impact

The program will:

Promote import substitution



- Reduce dependence on imported food products by promoting domestic production of the 11 commodities.

Food price stability



- Promote price stability by increasing the supply of food in the market.

Job creation



- Create jobs by supporting the growth of the agricultural sector and the entire value chain

Food security and resilience



- Promote sustainable agricultural practices and ensure that the country's food supply is sufficient and resilient in the face of shocks

Export promotion



- Create/boost exports by supporting increased production to meet required standards.

The PFJ 2.0 Model | Role of the Media

Support Awareness Creation



- Sensitize the general populace about the initiation of the PFJ 2.0

Stakeholder Engagement Partner



- Provide information and education to the public on the modalities for effective participation in the programme

Support Monitoring and Reporting



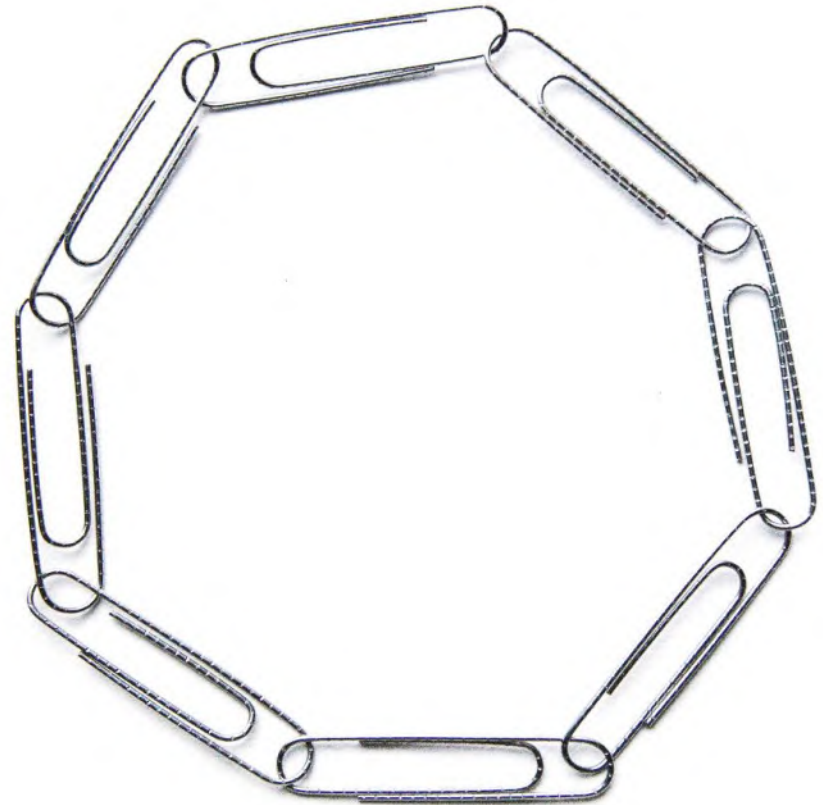
- Provide feedback from stakeholders regarding successes, challenges and gaps realized by stakeholders during implementation

Promote Stakeholder Participation



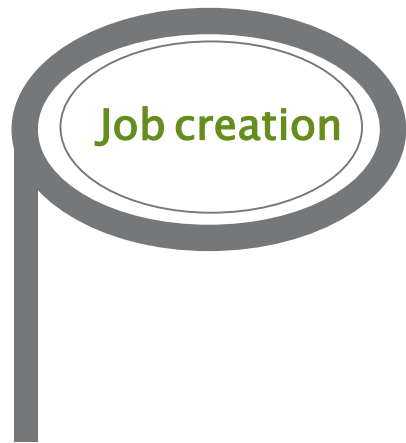
- Catalyze participation of stakeholders in connection with the PFJ 2.0

Thank you



The PFJ 2.0 Model | Expected Impact– Job Creation

The PFJ 2.0 is expected to impact on Jobs, import substitution, exports, food security and resilience and price stability



- **About 1.2m farmers are expected to be enrolled in the first year of the PFJ 2.0**
 - **Approximately 36% (432,000) of the 1.2m farmers will be new entrants attracted to take up farming or farm-related jobs across the 11 focus commodities esp. the youth**
- **Thereafter, an annual average of 210,376 new farm-related jobs over the next 4 years**
- **It is estimated that for every 1 direct farm job, 2 indirect jobs are created in the value chain – expect the PFJ 2.0 to create an annual average of 420,752 additional indirect jobs.**
- **By the 5th year of the PFJ 2.0 we would have added 1.2m new direct farmer jobs and 2.4m indirect jobs.**