

Rethinking Urban Food Supply in the Global South

CHALLENGING MISCONCEPTIONS IN ORDER TO IMPROVE PUBLIC POLICY

Many misconceptions exist surrounding urban food supply in the Global South. They result in part from a fragmented vision of the food sector, which generates public policies that are focused either only upstream or downstream. A holistic and systemic approach is required in order to properly address the challenges and opportunities associated with urban food supply.

In the interest of reassessing its many interventions, AFD has engaged in an applied research program into food economics. This paper presents several of the myths that must be reconsidered based on this work.

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More than a hundred mayors of large cities from all over the world signed the Milan Urban Food Policy Pact to mark the end of Milan's Expo 2015. More than ten years have now passed since the "food riots" of 2007–08, caused by soaring food prices, and the fact that there are currently 179 signatory cities committed to enforcing the pact reflects a growing awareness of food issues. These are undergoing profound change as urban demand is rapidly growing and diversifying due to demographic and migratory pressure, competition for food markets is globalizing, and climate change-induced vulnerabilities are intensifying¹. In order for food systems to contribute to achieving food and nutrition security (SDG goals 2 and 3), promoting sustained economic growth and job creation, particularly for young people (SDG goal 8), in unsaturated cities (SDG goal 11), and allowing for sustainable consumption and production patterns (SDG goal 12), they require multi-sectoral public interventions and policies that involve cities alongside rural and national stakeholders (government departments, NGOs, etc.).

In order to implement these public policies, it is necessary to have a correct idea of the "food" context in cities of the Global South. The three areas covered by AFD's research program (Rabat-Salé, Niamey, and Abidjan) were chosen due to their contrasting socioeconomic and urban characteristics, which helped bring out the importance of local context when it comes to urban food supplies. There is indeed no unequivocal answer to those questions. Time for a reality check on a number of misconceptions.

Misconception No. 1: Food insecurity is viewed primarily as a challenge in terms of availability and accessibility. In fact, it goes further than that.

In the three case study cities (Rabat, Niamey and Abidjan), absolute poverty automatically increases with population growth, though the issues of food supply access and availability, as well as regularity and accessibility, remain

¹ In terms of soils, water and air in particular. Moreover, the carbon impact of food waste amounts to 87% of that of road transport (Source: FAO, 2013, 2014).

major concerns. In Rabat, there are disparities in supply between various neighborhoods, the poorest and most peripheral of which are very poorly served. In Niamey, tomato prices can increase twenty-fold between May and July, when the rainy season interrupts local production and tomatoes are then imported. Furthermore, the notion of health security in the urban Global South does not exclude considerations regarding diet and food quality. Highly perishable fresh products and processed foods are most in demand, with increasing consumer awareness of potential food safety issues. In Rabat, 76% of respondents believe that there are significant food safety risks in Morocco, particularly concerning tomatoes (30% of respondents), chicken (73%), and mint (which one third of respondents stopped consuming due to recent scandals). Now well aware of food safety issues, in particular related to the excessive use of pesticides, the middle class is reconsidering the way it buys food in a context where quality and standards is often but an afterthought of public policy (CIRAD-G8, 2019).

Misconception No. 2: Poor consumers opt for the cheapest food... Actually, this is not exclusively the case.

The issue cannot be approached solely from the perspective of product prices and the full cost of accessing food must be considered, while also considering in transportation costs and travel time incurred by consumers. These added criteria strongly influence where consumers go to purchase their groceries. In Abidjan for instance, 53% of consumers primarily opt to shop at the closest place of purchase, primarily within a fifteen-minute walking distance (for 88% of respondents). Product price is only mentioned by 12% of consumers as their primary reason for selecting where to do their shopping. In Niamey, however, price is the most influential factor for 41% of consumers, and distance only for 19%. This suggests that the urban landscape and the cost of travel are just as important in consumer decision-making as household income and price differences between marketplaces. In Niamey, consumers tend to travel many miles in order to save money on groceries, but less so in Abidjan where urban sprawl is accentuated by the complex structure of the Ébrié lagoon, which causes significant traffic problems.

As a result, consumers there choose to buy their food based on distance and accessibility of marketplaces, even in the presence of price differences of up to 42% between markets located ten kilometers apart.

Misconception No. 3: Traditional urban markets create many jobs... True, as long as they are fully integrated in local economic development policies.

Markets are often viewed by local authorities as hotbeds of wealth creation and support for economic activities on a city scale. Rehabilitating or building markets helps improve the working conditions of incumbent traders and can even boost their earnings, yet there is no guarantee of net job creation. Though markets are powerful tools for city planning, they are first and foremost a trading infrastructure. They can boost the local economy and enhance a location's attractiveness for businesses provided they are well connected with food supply chains.

In West Africa, the food economy as a whole is the leading provider of jobs (66% of total employment) and will remain so in the coming years (Allen et al., 2018). According to the World Bank², it could represent a US\$1,000 billion market across the continent by 2030, and open up great job opportunities at different stages of the supply chain. According to a World Bank study conducted in six countries in Eastern and Southern Africa, the potential for job creation mainly lies in processing and food-related services (retailing, transport, restaurants, etc.), which are projected to increase from 8% of total employment in these countries in 2010 to 12% in 2025 (Townsend et al., 2017). Primary processing companies are also sources of employment and business diversification in and around urban markets (see Box 1), whether formal or informal. Furthermore, there are benefits in terms of improved food storage and price stability, as well as the increased marketability of local produce and added value in processing.

Misconception No. 4: France's Rungis wholesale market is the ultimate benchmark... In reality, local context must be taken into account.

Wholesale markets are generally set up with a view to easing congestion in city centers as they experience

² <http://www.worldbank.org/en/topic/food-system-jobs>

53%

RESIDENTS OF ABIDJAN CHOOSE THEIR MARKET BASED ON OVERALL FOOD COST. AS A RESULT, 53% OF CONSUMERS FAVOR PROXIMITY OVER PRODUCT PRICE.

THE DEVELOPMENT OF FOOD PROCESSING ACTIVITIES IN TOGO

Small processing companies have emerged to respond to new urban consumption habits with processed products offering more convenience and a longer shelf life: canned tomatoes, fruit juice, husked rice, infant flours, attiéké, grated coconut, and so on. Certain companies offer attractively-packaged products with a full ingredient list on the labels. Others even strive to have their products certified to showcase their quality and reliability. This contributes to enhancing the competitiveness of local processed and packaged products. These companies distribute their products in shops, restaurants, or urban markets in busy neighborhoods. (Dandoy, 2018).

a huge increase in the flow of goods arriving from the urban hinterland as well as provincial and international markets. They then help consolidate and streamline these flows, provided they are well connected to an efficient transport network and the entire food and agri-logistics value chain. This is of course the case of France's Rungis wholesale market. However, wholesale food distribution in Sub-Saharan African cities share two key features. First, there is a lack of specialized wholesale equipment and facilities in the true sense of the word and wholesale traders operate in premises that are not specifically set up for that purpose. Second, there is no single consolidated hub in the city outskirts redistributing absolutely all food products throughout the whole city, but rather several hubs that are relatively scattered in the urban fabric and where retail and wholesale often intersects. Some urban markets thus primarily consolidate or store food products before rerouting the goods towards retail markets. Such platforms are located in various parts of the city and are often more suited to the specific characteristics of local food systems than a single remote wholesale market in the outskirts, i.e., a multitude of market participants along the entire supply chain, low quantities of goods (what is more, often fresh and/or perishable), an inadequate geographical configuration and transport network, and the presence of small-scale producers. For instance, in Abidjan, "in an already sprawling city that is geographically divided by the lagoon, traffic and freight costs constitute one of the constraints repeatedly voiced by retailers. In this context, the case can be made for maintaining a distribution of large decentralized and multipolar flows, usually operating during low traffic hours, on the grounds of logistics performance³."

³ This excerpt is from CIRAD-Group 8's research program (2019).

Misconception No. 5: Markets generate revenue for local authorities... but not in net terms!

Markets are viewed by municipalities as a source of revenue through both the collection of stall rental fees and local taxes. In reality, they represent only a limited part of municipal budgets, ranging from 8 to 28% overall, in various cities of West Africa and secondary cities in Madagascar (Michelon, 2012). Moreover, collecting payments is often very difficult and traders/users must be consulted before any building or rehabilitation work begins. Regardless of the level of revenue collected, municipalities must approach marketplace management by taking into account operating costs (cleaning expenses, security, management costs, etc.) as well as fire insurance and depreciation. Pricing must therefore proceed from a calculation that considers the essential public service provided by markets as well as the need for maintenance to ensure proper operation. In other words, in net terms, operating market facilities generally does not contribute toward a city's financial sustainability due to the need to provide a public service.

Misconception No. 6: Urban or peri-urban agriculture cannot possibly significantly contribute to food and nutritional security. False!

Across Africa, 22 million people consume food produced in an urban environment (Reardon, 2016). According to the latest data (CIRAD-Group 8, 2019), 43% of Niamey's population is engaged in farming. Though this is not enough to meet the growth in demand for food produce in terms of quantity, urban and peri-urban agriculture can contribute to food security in two ways.

First, it helps keep highly perishable fresh produce in the urban diet regardless of inadequate food transport and preservation infrastructure. In so doing, it contributes to the diversification of the diet of urban dwellers. Morocco is a case in point, where peri-urban agriculture amounts to up to one third for the supply of highly perishable products such as leaf vegetables and aromatic plants, which are widely present in the Moroccan diet.

Second, it enables underprivileged urban populations to produce some of their own food and to sell any surplus. For this to happen, a certain number of conditions are required, including access to factors of production (land, water, inputs, etc.) and credit, access to vocational training and farming advice. Maintaining urban agriculture therefore requires strong political will on behalf of local authorities in order to deal with increasing pressure on urban land use.

Conclusion

Understanding the food supply of cities in the Global South requires us to examine the food system more comprehensively and to consider the whole picture, from food production to distribution to consumption (Figure 1). There are many challenges at stake and many of the SDGs are involved, from ensuring food and nutrition security (SDG goals 1, 2, and 3) to improving the connection between urban and rural environments and ensuring sustainable modes of production and consumption (SDG goals 11 and 12), all the while leveraging these food systems for the purposes of socioeconomic development and job creation (SDG goals 1, 8, and 10).

For developing countries, especially in Africa, this involves: (1) rethinking food governance through the

involvement of all food system stakeholders, from government departments and local authorities to the private sector (producer and consumer organizations); (2) devolving responsibilities as well as adequate resources to local authorities in order for them to better address locally-identified needs. Technical and financial partners such as AFD should aim to establish a long-term dialogue with state and local authorities to encourage their coordination and to decompartmentalize public policy at different levels of governance. It is also important to engage with the private sector. Only then can more “systemic” public policies and projects be designed to better address the many challenges that have been identified. ■

FIGURE 1. FOOD SYSTEM COMPONENTS



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