

**DIRECTIONS FOR SOLVING ECONOMIC PROBLEMS IN THE PROCESSING
SECTOR OF AGROCOMPLEX IN WEST AFRICA**

**Bantsevich Y.E., Soumaila S.
Belarusian State University of Food and Chemical Technologies
Mogilev, Belarus**

One of the key driver of the national economy is Agro-Industrial sector. Innovative development in processing sector of Agro-Industrial complex is the way to insure food security and economic growth in sub-Saharan African countries. Understand the agro-industrial complex (CA) as a set of industries that encompasses agriculture and industries related to agricultural production, transportation services, storage and processing of agricultural products, delivery to its user, supply of agricultural equipment, chemicals and fertilizers, thus serving all agricultural production [2]. Despite the impact of processing sector of Agro-Industrial complex on national economy, the agro-industrial sector remains rudimentary, underdeveloped and largely without significant institutional, technical and financial support.

We will examine some of the problems plaguing the sector in West African countries. Some of the main problems of developing the Agro-Industrial Complex in West African countries include:

First the technical and technological backwardness of agriculture in comparison to developed countries, due to the insufficient level of modernization of agriculture and the processing industry;

The second problem is related lack of incentives for private sector investment in agro-industrial processing and weak access to finance and risk management product. The inadequate government expenditure for agriculture is a major concern for inclusive agricultural finance. In most African countries, the government budgetary support to the sector has been far below 10 percent of the fiscal expenditures recommended by the Maputo Declaration of 2003 and the Malabo Declaration of 2014. Few countries have met this commitment. Nevertheless, many other countries have witnessed a marginal increase and in some cases reversal in public expenditure on agricultural finance.

The third problem is inadequate energy, water management systems and other infrastructures, including lack of investment in rural-urban linkages. The very nature of agricultural raw materials, which are bulky and perishable, makes access to these infrastructures a necessary condition to improve competitiveness. Produces such as fruits and vegetables and dairy products needs to be kept fresh and refrigerated and transported from the farm gate to agro-processing plants or storage facilities to minimize post-harvest losses. Interruption in electricity or lack of transportation infrastructure, for instance, seriously disrupts the whole supply chain and entails substantial production cost.

Finally the processing sector of Agro-industrial complex in West African countries is facing the non-access to regional and International market due to inappropriate packaging materials, high packaging cost and limited ability to meet international food quality standards. This lack of access to international market hinder the development of the agro-industry in Africa. Although there has been considerable progress in liberalization of trade in agricultural commodities since the 1980s Uruguay Accord of the GATT, the agricultural sector remains one of the most protected and distorted sectors in the world.

In order to develop the processing sector of Agro industrial Complex, many efforts are to be made by government in order to foster the economic development.

Ensuring the sustainable development of the Agro-Industrial Complex in the West Africa and improving the competitiveness of products are largely determined by modernization and introduction of innovative technologies. In this regard, the cooperation between countries in science and innovations is vital in order to develop a suitable mechanism at national and regional level through inter-country cooperation so that they will benefit from the competence of the developing countries. With the development of such competence, appropriate technologies could be transferred from research and development institutes to West African agro-industries complex.

The following ways of the development of the agro complex in the West Africa can be distinguished.

a) Plan the wider regional infrastructural investment to support growth of agro-industrial processing activities and associated value chains;

b) Improve market infrastructure and facilities (e.g., basic services, establishing basis for food processing);

c) Increase productivity and strengthen competitiveness of agro-processing firms and Small and Medium-sized Enterprises (SMEs) in priority value chains;

d) Enhance the productivity and economic viability of agro-industry processing by improving access of farmers and industries to training, technical advice, and credit, and supporting rural/urban farmer's associations;

e) Introduce measures that prevent or reduce health and environmental risks associated with agro industrial processing, including sectoral coordination between health, agriculture and environmental departments, education and training.

f) Train agro-processors in new techniques for agro processing, using raw materials that yield greater nutritional returns; International standards and food safety systems-HACCP, ISO, SPS; Good Manufacturing Processes and how to develop and use Standard Operating Procedures; Techniques to increase efficiency and lower cost of production, to include also costing and pricing of products and trade facilitation and market access skills.

References

1 The Role of Economic Science in the Innovative Development of Agribusiness. – Access mode: <https://doi.org/10.1051/e3sconf/202017605027>.

2 Prokhorova, V. V. Prospects of the Agro-Industrial Complex Development: Economic Diversification, Business Development, Mono-Industry Town Strengthening and Expansion / V.V. Prokhorova, E.N. Klochko, O.N. Kolomyts, A.V. Gladilin // International Review of Management and Marketing. – 2016. – No. 6. – P. 159-164.

3 Lambert, I. Problems and Constraints to the Development of the Agro-Processing Sector. – Access mode: <https://www.open.uwi.edu/sites/default/files/bnccde/dominica/conference/papers/Lambert.html>.

4 Laudat, J-A. Challenges to the Development of Agro-processing Enterprises in Antigua and Barbuda / J-A. Laudat. – Access mode: <https://ageconsearch.umn.edu/record/242082>.

5 Oman, S. Assessing the impact of COVID-19 on agrifood manufacturing small and medium enterprises in sub-Saharan Africa, Recommendations for building back better / S. Oman, F. Kongongo, S. Kelly, E. Ilie. – Access mode: <https://www.fao.org/documents/card/en/c/cb8083en>.

6 Scientific and innovative development of the agroindustrial complex. – Access mode: http://www.eurasiancommission.org/ru/Documents/APK_ing_n.pdf.