

# Smallholder farmers form the backbone of Africa's agricultural economy

They are the primary food producers, major employers, custodians of rural landscapes, and central actors in any credible strategy for poverty reduction, climate resilience, and inclusive growth on the continent. This research write-up explores their role, the structural constraints they face, and the policy and investment shifts required to unlock their full potential.

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## 1. Who are “smallholder farmers” in the African context?

The term “smallholder” has no single universal definition, but it generally refers to farming households cultivating relatively small plots of land, relying predominantly on family labour, and combining production for subsistence with some market participation.

Key features in Africa include:

- **Farm size:** Many analytical frameworks set the upper limit between 2–4 hectares; in several African datasets, smallholder farms are defined as  $\leq 2$  or  $\leq 4$  hectares. ([EPAR](#))
- **Ownership and labour:** Farms are typically family-owned and managed, with household labour (including women and youth) doing most of the work. ([FAOHome](#))
- **Production systems:** They often practice mixed farming – combining crops, livestock, and sometimes agroforestry – with limited mechanisation and constrained access to inputs, technology, and finance.
- **Dual logic:** They farm to feed the household *and* to sell any surplus to local markets, which makes them simultaneously subsistence producers and micro-entrepreneurs.

Global evidence shows that about 84% of the world’s farms are under 2 hectares, and in Asia and sub-Saharan Africa these farms produce roughly 80% of the food supply. ([FAOHome](#)) In sub-Saharan Africa (SSA) specifically, smallholder farms constitute around 80% of all farms and directly employ an estimated 175 million people. ([Open Knowledge FAO](#))

In short, when we speak about “African agriculture,” we are primarily speaking about smallholder agriculture.

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## 2. The economic backbone: food production, employment, and GDP

### 2.1 Food production and food security

Smallholder farmers are the dominant food producers in most African countries:

- FAO estimates that smallholder farms provide as much as 80% of the food in Asia and sub-Saharan Africa. ([FAO Home](#))
- In Southern Africa, WFP and related briefs note that smallholder farmers – many of them women – are the *primary* food producers and can contribute up to 90% of food production in some countries. ([World Food Programme](#))
- Recent reporting from Nigeria illustrates this pattern at country level: more than 80% of Nigeria's farmers are smallholders, and they produce about 90% of the country's annual agricultural output. ([AP News](#))

Because of this, any shock that affects smallholders – drought, floods, conflict, input price spikes, or market disruptions – almost immediately translates into food shortages, rising prices, and heightened food insecurity, especially for low-income households who depend on local markets.

From a food-systems perspective, Africa cannot achieve **SDG 2 (Zero Hunger)** without directly strengthening smallholder production, storage, and market access.

### 2.2 Employment and livelihoods

Agriculture and the wider agri-food sector remain the largest employer in Africa:

- Agriculture and related food systems provide work for over 60% of Africa's population, and up to 80% in rural areas. ([PACT](#))
- In many agriculture-based African economies, smallholder farming accounts for roughly 75% of agricultural production and more than 75% of agricultural employment. ([African Development Bank](#))

Smallholder farming is therefore not just a production system; it is a labour market and a social safety net. Millions of households survive, learn, and build assets through small plots of land, livestock, and trees. This links directly to **SDG 1 (No Poverty)** and **SDG 8 (Decent Work and Economic Growth)**.

### 2.3 Contribution to GDP and structural transformation

Agriculture contributes between 10–60% of GDP across many African countries, depending on their level of diversification. ([Afr J Food Agri Nutr Dev](#)) Within that agricultural GDP,

smallholders account for the bulk of output in staple crops (maize, sorghum, millet, cassava, rice), many horticultural products, and a significant share of livestock.

Economists often argue that successful structural transformation requires moving labour out of low-productivity agriculture into higher-productivity non-farm sectors. However, in Africa:

- The majority of rural people still *start* in smallholder agriculture.
- Smallholders supply raw materials to agro-processors, traders, and exporters.
- Upgrading smallholder productivity is one of the fastest routes to expanding inclusive rural value chains – from input dealers and extension services to transport, storage, and agro-industry.

A major 2019 analysis concluded that smallholder agriculture will remain a key driver of African agricultural growth and development, provided that investment focuses on removing the constraints smallholder farmers face. ([ResearchGate](#))

My own view is that instead of treating smallholders as something to be “moved out of” as quickly as possible, policy should treat them as a *platform* for industrialisation, rural enterprise, and green economic transformation.

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### **3. Smallholder farmers, gender and youth: the human backbone**

#### **3.1 Women as the quiet drivers of smallholder agriculture**

Women are central to Africa’s smallholder systems:

- Across Africa, women form a large majority of the agricultural labour force in many countries and regions. ([African Development Bank](#))
- FAO estimates that if women had equal access to land, inputs, and services as men, farm yields could increase by 20–30%, potentially lifting 100–150 million people out of hunger. ([FAOHome](#))
- Yet, women still earn 30–40% less than men and own less than 20% of land or formal assets in many African contexts. ([African Development Bank](#))

Women are also key custodians of traditional seed knowledge and farmer-managed seed systems: some studies estimate that 80–95% of seeds planted by smallholders in SSA come from farmer-managed seed systems, with women safeguarding up to 90% of traditional seed knowledge. ([The Cooperator News](#))

From a policy standpoint, failing to support women smallholders is equivalent to deliberately under-investing in the continent's main food producers and biodiversity stewards. It directly undermines **SDG 5 (Gender Equality)** and **SDG 2**.

### **3.2 Youth, smallholders and the future of Africa's food systems**

Africa has the world's youngest population. Youth unemployment and underemployment remain alarmingly high, especially in rural areas. Agricultural transformation and value-chain development are widely recognised as prerequisites for reducing unemployment, poverty, and food insecurity. ([Afr J Food Agri Nutr Dev](#))

At the same time:

- Many young people inherit or have access to small plots of land, but lack capital, technology, and market linkages.
- Initiatives led by the African Development Bank and other partners explicitly target youth agripreneurs and agricultural SMEs, aiming to de-risk finance and build gender- and youth-inclusive growth. ([African Development Bank](#))

If smallholder systems are modernised – through digital tools, regenerative agriculture, climate-smart practices, and profitable value addition – they can become attractive enterprises for young men and women, not just a last-resort survival strategy.

In my opinion, one of Africa's biggest missed opportunities is the failure to deliberately brand and organise smallholder agriculture as a *knowledge-intensive, tech-enabled, climate-smart business pathway for youth and women*.

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## **4. Smallholder farmers and climate change: vulnerability and potential**

### **4.1 Frontline of climate risk**

Smallholders are among the most vulnerable to climate shocks:

- Changing rainfall patterns, rising temperatures, and increasing frequency of droughts and floods are already undermining yields and livelihoods across SSA. ([Frontiers](#))
- A 2025 article on Nigeria shows how water scarcity, drying rivers, and lack of irrigation infrastructure are driving crop failures and food insecurity, especially among smallholders who rely on rainfed production. ([AP News](#))

- Africa is estimated to lose up to 15% of its GDP annually due to climate impacts on agriculture, while smallholders who produce about 80% of Africa's food receive less than 2% of global climate finance. ([Food for Africa News](#))

Systematic reviews of climate-smart agriculture (CSA) in SSA show that smallholders face multiple barriers to adopting CSA practices: lack of finance, information, extension support, and secure land tenure, among others. ([Frontiers](#))

#### **4.2 Regenerative agriculture and agroecology as strategic responses**

Despite their vulnerability, smallholders hold enormous potential to drive climate solutions through:

- **Regenerative agriculture and agroecology:** Practices such as diverse crop rotations, intercropping, cover cropping, reduced tillage, manure and compost use, agroforestry, and integrated livestock can restore soil health, increase carbon sequestration, and strengthen resilience to droughts and floods. ([Mexico Business News](#))
- **Farmer-managed seed systems:** These preserve genetic diversity, support locally adapted varieties, and enhance resilience to climatic shocks. ([The Cooperator News](#))
- **Water harvesting and efficient irrigation:** Small-scale water harvesting, soil-water conservation, and drip irrigation can significantly stabilise yields in drylands.

From a **SDG 13 (Climate Action)** and **SDG 15 (Life on Land)** perspective, investing in smallholder-driven regenerative and agroecological approaches is one of the most cost-effective ways to combine food security with climate mitigation and adaptation.

I would argue that African climate strategies will remain incomplete – even ineffective – if smallholder farmers are treated only as “beneficiaries” rather than as *primary implementers* of climate and land-restoration policies.

### **5. Structural challenges faced by smallholder farmers**

Despite their central role, many smallholders remain trapped in a low-productivity, high-risk equilibrium. Common constraints include:

#### **5.1 Limited access to land and insecure tenure**

- In many regions, smallholders operate tiny and fragmented plots, sometimes under customary arrangements with weak formal recognition.

- Women and youth often face additional barriers to secure land rights, undermining their willingness and ability to invest in long-term improvements such as tree crops, irrigation, or soil regeneration.

## 5.2 Inadequate access to finance and inputs

- The African Development Bank and others highlight a massive financing gap – estimated at around USD 75 billion – for farmers and agribusinesses, which keeps many smallholders locked out of productive investment. ([AFS Forum](#))
- High costs of fertiliser, improved seeds, mechanisation, and storage technologies are major obstacles. Fertiliser prices in Africa have spiked by up to 300% since 2021, putting them far out of reach for many farmers. ([The Cooperator News](#))
- Traditional collateral requirements exclude smallholders who lack titled land or formal financial histories.

## 5.3 Weak extension, technology, and digital inclusion

- Public extension systems are often understaffed and under-resourced.
- Many smallholders have limited access to modern agronomic knowledge, climate information, and digital tools that could improve planning, pest management, and market decisions.
- Yet successful pilots – for example, AI-enabled advisory services for women livestock farmers – show that targeted digital solutions can transform productivity and access to finance. ([African Development Bank](#))

## 5.4 Market access, value chains, and price volatility

- Poor rural roads, limited storage, and lack of cold chains lead to high post-harvest losses and low farm-gate prices.
- Smallholders often sell into informal or thin markets dominated by intermediaries, with little bargaining power or access to reliable price information.
- Regional and continental initiatives (like the African Continental Free Trade Area – AfCFTA) offer new opportunities, but smallholders will not benefit automatically; they need targeted support to meet quality standards, aggregate volumes, and engage in cross-border trade.

## 5.5 Governance, policy incoherence, and under-investment

- Many countries have signed onto continental commitments such as CAADP (Comprehensive Africa Agriculture Development Programme), which recommends allocating at least 10% of public expenditure to agriculture. In practice, very few consistently reach this target. ([Facebook](#))
- Seed laws, land policies, fertiliser subsidies, and trade regulations often favour large-scale commercial actors and imported inputs over farmer-managed systems and local enterprises.
- Climate finance architecture is complex and typically accessed by governments, large NGOs, or corporates, not by smallholder cooperatives or farmer organisations.

The paradox is evident: smallholder farmers are structurally central to African economies, yet they are systemically marginalised in policy, finance, and innovation.

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## 6. Strategic directions: unlocking the potential of smallholder farmers

To treat smallholder farmers as the backbone of Africa's agricultural economy is not just to recognise a reality; it is to accept a responsibility. Several strategic directions emerge.

### 6.1 Re-centering policy and investment around smallholder systems

- **Re-align public budgets:** Move closer to CAADP commitments, with a clear share earmarked for smallholder-focused programmes – extension, climate-smart agriculture, farmer-managed seed systems, irrigation, and storage.
- **Target climate finance to the farm level:** Ensure that a meaningful portion of adaptation and resilience funding flows through local farmer organisations, cooperatives, and women- and youth-led enterprises, not only through large national projects. ([Food for Africa News](#))
- **Link smallholders to national food-system strategies:** Integrate them explicitly into national food-system pathways, school feeding programmes, and nutrition policies. ([Context News](#))

### 6.2 Strengthening women's land rights and economic power

- **Secure land rights for women:** Legal reforms, land titling, and gender-sensitive land administration can unlock long-term investment and productivity gains.
- **Gender-responsive finance and services:** Design credit, savings, insurance, and input schemes tailored to women, who are currently under-served despite their central role in production and seed systems. ([FAOHome](#))

- **Women-led service provision:** Encourage women and young people as providers of mechanisation, extension, digital advisory, and aggregation services, not just as farm labourers. ([CABI.org](#))

### 6.3 Youth-powered transformation of smallholder farming

- **Agripreneurship programmes:** Combine technical training with business development, incubation, and access to blended finance for youth-led enterprises along value chains – from input supply and mechanisation to processing, branding, and exports.
- **Digital and data-driven agriculture:** Make youth the primary users and designers of digital platforms for weather information, market prices, traceability, and farm management.
- **Narrative shift:** Public campaigns and school curricula should present smallholder farming as a modern, respected, and profitable career path—not a symbol of failure or last resort.

### 6.4 Scaling regenerative agriculture, agroecology, and water harvesting

- **Soil health as strategic infrastructure:** Treat soils as a national asset. Support smallholders with training, incentives, and research to adopt regenerative practices that restore soil organic matter and biodiversity. ([Mexico Business News](#))
- **Farmer-managed seed systems (FMSS):** Recognise FMSS in law, support community seed banks, and create participatory breeding programmes that combine farmers' knowledge with scientific research. ([The Cooperator News](#))
- **Water harvesting and efficient irrigation:** Invest in small-scale water infrastructure – contour bunds, check dams, farm ponds, drip systems – that can be managed at community or cluster level, especially in dryland areas facing recurrent droughts. ([AP News](#))

### 6.5 Organising smallholders into clusters, cooperatives, and value-chain alliances

- **Aggregation and clusters:** Agriculture-based clusters, farmer cooperatives, and producer organisations are essential to achieve economies of scale in input purchasing, mechanisation, storage, and marketing.
- **Contract farming and inclusive value chains:** Carefully designed contract schemes with agro-processors and exporters can connect smallholders to higher-value markets, provided that power imbalances are addressed and farmers' rights are protected.

- **Standards, certification, and traceability:** Support smallholders to meet quality and safety standards (organic, fair trade, HACCP, etc.), and to participate in traceable supply chains that reward good agricultural practices and environmental stewardship.

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## 7. Alignment with the Sustainable Development Goals

The centrality of smallholder farmers to Africa's agricultural economy intersects with multiple SDGs:

- **SDG 1 (No Poverty):** Raising smallholder productivity and profitability is one of the most direct ways to reduce rural poverty.
- **SDG 2 (Zero Hunger):** Smallholders are the main food producers; supporting them is non-negotiable for ending hunger and malnutrition.
- **SDG 5 (Gender Equality):** Women smallholders are pivotal; closing gender gaps in land, finance, and services is both a justice issue and a productivity strategy.
- **SDG 8 (Decent Work and Economic Growth):** Agrifood systems anchored in smallholder transformation can generate millions of jobs for youth and rural communities.
- **SDG 13 (Climate Action) & SDG 15 (Life on Land):** Regenerative agriculture, agroforestry, and farmer-managed seed systems make smallholders key actors in mitigation and adaptation.
- **SDG 10 (Reduced Inequalities) & SDG 16 (Peace, Justice, and Strong Institutions):** Inclusive policies that recognise and empower smallholders help reduce rural inequalities and potential sources of conflict.

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## 8. Conclusion: From backbone to blueprint

The statement “Smallholder farmers form the backbone of Africa’s agricultural economy” is not a slogan; it is an empirical description of how food, labour, and rural livelihoods are organised on the continent.

- They produce the majority of staple foods.
- They employ most of the rural workforce.

- They shape landscapes, conserve biodiversity, and maintain cultural and social fabrics.
- They stand on the frontline of climate impacts, yet receive a tiny fraction of global climate and development finance. ([Food for Africa News](#))

In my view, the next phase of African development must move beyond simply “supporting” smallholders in a charity-style manner. Instead, smallholder farmers need to be recognised and organised as **strategic economic actors**—partners in national development plans, climate strategies, and regional trade agendas.

A serious commitment to Africa’s future means:

- putting smallholders at the centre of agricultural policy,
- investing in women and youth as leaders of rural transformation,
- scaling regenerative and climate-smart practices,
- and building value chains and clusters that treat farmers not as peripheral suppliers, but as co-owners of Africa’s emerging green and inclusive economy.

Only then will the continent fully harness the strength of the backbone it already has.

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Hunter