Agriculture and Future Climate Dynamics in Africa: Impacts and Adaptation Options

by

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Dedication

To my wife Charity and son Blessings



Declaration

I declare that this thesis I hereby submit for the degree of PhD in Environmental Economics at the University of Pretoria is entirely my own work and has not been submitted anywhere else for the award of a degree or otherwise.

Parts of the thesis have been published and submitted for publication in journals.

Any errors in thinking and omissions are entirely my own responsibility.

Signed:

Name: Charles Nhemachena

January 2009



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Charles Nhemachena University of Pretoria, South Africa January 2009



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Degree: PhD Environmental Economics

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Abstract

This study had two main objectives. One objective was to measure the aggregate impact of climate change on income from all agricultural production systems (crop, livestock and mixed) in Africa and to predict future impacts under various climate scenarios. In addition to measuring economic impacts, the study analysed determinants of farmers' choices between alternative adaptation measures available to African farmers. The study is based on a cross-section survey of over 8000 farming households from 11 countries in east, west, north and southern Africa.

To achieve the first objective, the cross-section (Ricardian) approach was used to measure the impact of climate change attributes (rainfall and temperature levels) on income from all agricultural production systems (crop, livestock and mixed) in Africa, controlling for other production factors. Based on empirical estimates from the Ricardian model, the study predicts future impacts under various climate scenarios. In addition to estimating impacts on mixed crop—livestock farms, the study also measures and compares impacts on specialised crop and livestock farms. Responses of different production systems are analysed under irrigation and dryland conditions. The response of net revenue from crop and livestock agriculture across various farm types and systems in



Africa, to changes in climate variables (i.e. mean rainfall and temperature) is analysed. The analysis controlled for effects of key socio-economic, technology, soil and hydrological factors influencing agricultural production. In addition to measuring impacts on aggregate revenue, the study examined variations in the response of three distinct production systems characterising African agriculture: specialised crop; specialised livestock and mixed crop and livestock systems. Differential impacts of climate change on the studied systems were measured under irrigation and dryland conditions.

Results show that net farm revenues are in general negatively affected by warmer and dryer climates. The mixed crop and livestock system predominant in Africa is the most tolerant, whereas specialised crop production is the most vulnerable to warming and lower rainfall. These results have important policy implications, especially in terms of the suitability of the increasing tendency toward mono-cropping strategies for agricultural development in Africa and other parts of the developing world, in the light of expected climate changes. Mixed crop and livestock farming and irrigation offered better adaptation options for farmers against further warming and drying predicted under various future climate scenarios.

For the second objective, the study employed a multinomial choice model to analyse determinants of farm-level climate adaptation measures in Africa. Results indicate that specialised crop cultivation (mono-cropping) is the most vulnerable agricultural practice in Africa in the face of climate change. Warming, especially in summer, poses the highest climate risk which tends to indicate switching away from mono-cropping towards the use of irrigation, multiple cropping and integration of livestock activities. Increased precipitation reduces the need for irrigation and will be beneficial to most African farming systems, especially in drier areas. Better access to markets, agricultural extension and credit services, technology and farm assets (such as labour, land and capital) are critical enabling factors to enhance the capacity of African farmers to adapt to climate change. Government policies and investment strategies that support the provision of and access to education, markets, credit, and information on climate and adaptation measures, including suitable technological and institutional mechanisms that facilitate climate



adaptation, are therefore required for coping with climate change, particularly among poor resource farmers in the dry areas of Africa.

Key words: climate change, impacts, adaptation, agriculture, Africa, Ricardian approach, multinomial choice models



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ACRONYMS AND ABBREVIATIONS

AEZ Agro Ecological Zone

AGRIM Agriculture, Growth and Redistribution of Income Model

AOGCMs Atmospheric-Oceanic Global Circulation Models

APN Asia-Pacific Network for Global Change Research

ARTES Africa Rainfall and Temperature Evaluation System

CCC Canadian Climate Centre

CEEPA Centre for Environmental Economics and Policy in Africa

CERES Crop Estimation through Resources and Environmental Synthesis

CGE Computable General Equilibrium

CO₂ Carbon Dioxide

CROPWAT Crop Water

DES Dietary Needs Supply

EASM Egyptian Agricultural Sector Model

EPIC Erosion Productivity Impact Calculator

FAO Food and Agriculture Organization

FARM Future Agricultural Resources Model

GEF Global Environmental Facility

GCM Global Circulation Model

GDP Gross Domestic Product

GIS Geographic Information System

LUT Land Utilisation Types
IAC InterAcademy Council

IPCC Intergovernmental Panel on Climate Change

MINK Missouri-Iowa-Nebraska-Kansas

MLCRDRY Multiple crops under dryland

MLCRIRRG Multiple crops under irrigation

MLCRLSIR Multiple crop-livestock under irrigation

MLCRLSDR Multiple crop-livestock under dryland



MOCRLSDR Mono crop-livestock under dryland

MOCRLSIR Mono crop-livestock under irrigation

MNL Multinomial Logit

MNP Multinomial Probit

PCM Parallel Climate Model

SNM Standard National Model

SRES Special Report on Emissions Scenarios

SSA Sub-Saharan Africa

SSMI Special Sensor Microwave Imager

TAR Third Assessment Report

UNEP United Nations Environmental Programme

US United States of America

VIF Variance Inflation Factor

WB World Bank