"Investing in Africa's future"

COLLEGE OF HEALTH AGRICULTURE & NATURAL SCIENCES

NAEC 504: ADVANCED AGRICULTURAL POLICY ANALYSIS

END OF FIRST SEMESTER FINAL EXAMINATIONS

NOVEMBER 2022

LECTURER: DR K. MUKUMBI

DURATION: 3 HOURS

INSTRUCTIONS

1. Do not write your name on the answer sheet

2. Use Answer Sheets Provided

3. Begin your answer for Each Question on a New Page

SECTION A

*Answer **ALL** questions in this section*

QUESTION 1

The XL Foods Inc. Beef recall was the largest in Canadian history. At the time of the recall, XL foods Inc., was processing 2000 to 5000 cattle per day. There were 18 confirmed cases of *E. coli* (a bacteria that can cause kidney failure in children and the elderly) reported and 1800 products were recalled. A recall is done to remove unsafe products from consumers. *E.coli* is found in the intestines of cattle and when cattle are slaughtered and processed the bacteria can get on the meat. The cost of the recall was over $27million. The major players impacted by the recall were XL Foods Inc, consumers, producers and the Canadian Food Inspection Agency. The beef processing industry in Canada operates as an oligopoly. There are only a few players in the industry with 80% in one province, Alberta. The entire industry was impacted by the XL foods recall. The Canadian government's trade policy provided incentives to overproduce and reduce the costs of processing beef so that Canadian companies were able to compete internationally. There was increased self-regulation of the food inspection and government did not provide sufficient monitoring to ensure that the processing industry was complying with the food safety standards. Private markets often fail to provide for adequate food safety because the safety is not readily apparent to consumers and its often very expensive to test for the safety of a product.

a) Identify and describe four types of market failure in the XL Foods case.

(8 marks)

b) Recommend 5 policy alternatives that would reduce the likelihood or impact of 2 market failures you identified in (a) above in the Canadian beef processing industry. Justify each choice. (14 marks)

c) The agriculture sector in both developed and developing countries often has many policies and funding dedicated to supporting the sector compared to other sectors. Why do you think this is the case? (13 marks)

QUESTION 2

Present your case to the Ministry of Agriculture of an African country with arguments for adopting a gendered approach and for promoting gender equality in all agricultural projects and policies the Ministry of Agriculture undertakes

(25 marks)

SECTION B

Answer any __TWO__ questions in this section

QUESTION 3

Develop an agriculture marketing policy for Zimbabwe. Your response should include:

a) A problem statement   (2 marks)

b) Five policy objectives   (3 marks)

c) 5 Policy interventions. Justify each choice.   (15 marks)

QUESTION 4

a) An African country has decided to require testing of all fresh produce for bacterial contamination and pesticide residue before a farmer can be permitted to sell his produce on the local market. Use the GRADE framework to analyze this policy.   (20 marks)

QUESTION 5

Read the passage below and answer the questions that follow.

Beware of purchasing fake seed, fertilizer

Criminals are taking advantage of the high demand for seeds and fertilizers. The criminals repackage fake seeds and fertilizers in bags of registered seed and fertilizer companies. The packaging of reputable and well-known companies is obtained either through theft or collusion with the companies' workers. This packaging makes it difficult for the farmer to distinguish between the real and the counterfeit input by just looking at the package alone. Farmers buy seeds and fertilizer according to specified anticipated yield by the producing company. So when fake seeds and fertilizers are used, no matter how good the rains maybe, the harvest will be poor. Counterfeit inputs threaten food security. They are sold at very low prices and are readily available to farmers. Some examples of scams involving counterfeit seeds and fertilizers are:

- Packaging uncertified seed in bags of registered companies
- Blending fertilizers
- Mixing fertilizers with anthill soil granules and packaging them in bags of registered companies
- Colour-coating seeds to make them appear genuine

a) Develop a set of 5 policies to address the problem of counterfeit agricultural inputs. Justify each choice. (10 marks)

b) Recommend a set of 3 policy interventions from (a) which policy makers should pursue to address the problem. Provide justification for each recommendation and include criteria used. (10 marks)

END OF EXAMINATION PAPER