

## Abstract

In most sub-Saharan African economies, agriculture is the dominant sector and plays an essential role in rural and overall economic development. Paradoxically, sub-Saharan Africa is the sole region in the developing world where per capita food production has remained low for many years. Agricultural growth in the region has been impeded by factors related to production, marketing and institutions, and by macro-economic factors and policies. This paper offers an indepth analysis of how institutional innovations can enhance smallholder agriculture in the region. Institutional support systems are needed to help integrate smallholders into national economic systems. Smallholder farming has been the institutional structure underpinning some of the most effective contributions of agriculture to economic development. Institutional reforms will play out in five functional areas critical to agricultural growth: contractual arrangements, functioning financial markets, agricultural insurance, public-private partnerships and vibrant producer organizations.