



Competitive Industry Breakfast Meeting on Agriculture and Nutrition in Nigeria:

Unlocking Nigeria's Agriculture and Nutrition Potential

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OUTLINE

Overview of the Agriculture and Nutrition Sector in Nigeria

Analysis of Access to Inputs

Analysis of Post Harvest Management

Analysis of Gender and Youth Inclusion in the Sector

Insights on Access to Finance for Agriculture

Adoption of Technology for Agriculture Transformation

The Impact of Climate Change on Agriculture

Conclusion

Overview of Nigeria's Agriculture Sector

Nigeria has **84 Million Ha of Arable Land** and only **40%** cultivated

Agriculture contributes the most to Nigeria's GDP
25.1%

Nigeria has **12 Million SHF Households**

Agriculture employs the highest number of Nigeria's workforce.
36.4%



SHFs cultivate an average of **4Ha**

Nigeria is the top world producer of
Yam
Cassava
Cowpea

The Data Reveals that there is Hunger and Malnutrition in our Land

>30%

of children under 5 years have chronic, longstanding malnutrition

30.3%

of stunted children under 5 years

22%

Prevalence of undernutrition among women (15 -49 years)

35%

Prevalence of overweight/obesity (15 – 49 years)

<https://www.worldhunger.org/africa-hunger-poverty-facts-2018/>

<https://globalnutritionreport.org/reports/global-nutrition-report-2018/burden-malnutrition/>

<https://data.unicef.org/topic/nutrition/malnutrition/>

https://www.afro.who.int/sites/default/files/2017-06/15264_who_afr-situation-ncds-15-12-2016-for-web_0.pdf

**Hunger kills more than
AIDS, Tuberculosis and
Malaria combined!**

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Overview of the Seed Production Landscape

Seed trade in Nigeria's agricultural landscape is largely informal limiting the quality of seeds used by smallholder farmers in the sector

	Production Volumes (2017)	Production Gap
Production Statistics	<ul style="list-style-type: none"> • 37,416 MT of Rice • 31,828 MT of Maize • 1,192 MT of Sorghum • 968 MT of Soybean • 74 MT of Cowpea • 285 MT of Millet • 70 MT of Groundnut • 101 MT of Wheat 	<p>21.7% decrease in certified seed production:</p> <ul style="list-style-type: none"> • Certified seed production in 2016: 91,912 MT • Certified seed production in 2017: 72,005 MT
Seed Use and Adoption	<ul style="list-style-type: none"> • Informal seed trade exceeds formal seed trade • The farmer-saved seed systems and farmer-to-farmer seed exchange represent the majority of seed volume. • Low adoption of certified improved seeds, due to farmers' habitual recycling of improved seeds over time. 	

Major Challenges Peculiar to the Fertilizer Sub sector

The adoption of fertilizer by smallholder farmers in Nigeria is significantly low at 5% adoption rate compared to global averages

Challenges in the Fertilizer sector

- High cost of transportation hinders distribution to rural farmers and creates price disparity.
- Insufficient and poorly equipped fertilizer testing laboratories, creating a room for product adulteration.
- Limited capacity of regulatory staff and laboratory scientists to monitor and control fertilizer quality.
- Low adoption and use of generic fertilizers by smallholder farmers

PFI Specific Challenges

- Cost of production is higher than the government stipulated price.
- The stipulated margin for distributors encourage adulteration and reduced content.
- Lack of clarity and duplication of roles and functions amongst national regulatory agencies.



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Post Harvest Management Statistics and Trends

Post harvest losses vary by value chain, up to ~60% loss in tomato production, 20% – 30% of total grain production, 30 – 50% of root and tuber production.

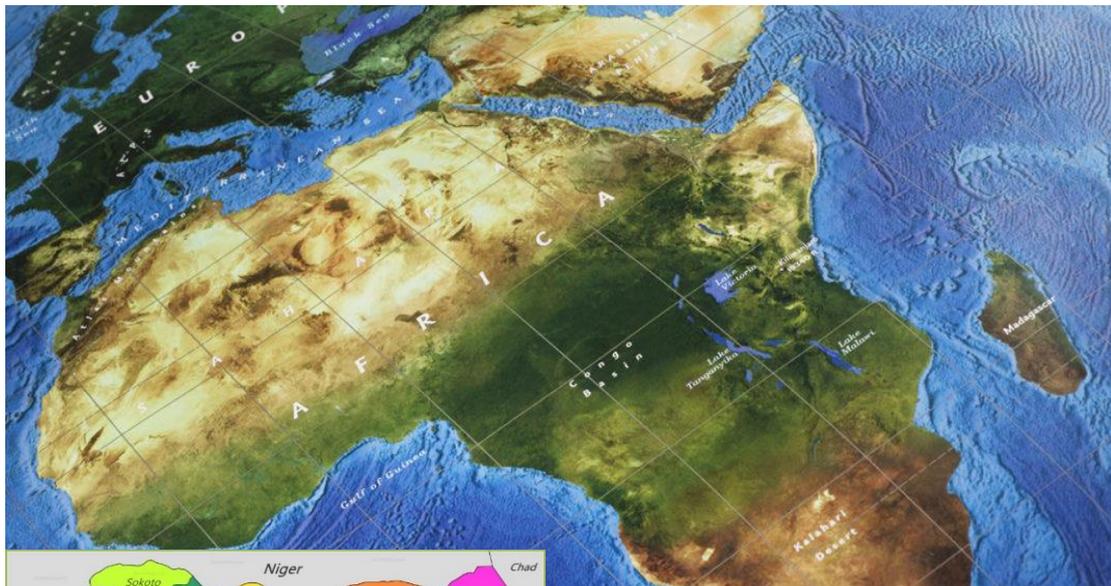


Key Insight

- The lack of coordination and post harvest management systems such as, **storage systems, transport systems, market structures & linkages, and processing systems** have led to about **10% - 60% post harvest losses** at the production stages and about **5% - 40% at the processing stages.**
- High costs of transport due to 'taxes', poor road maintenance amongst others.
- Poor loading agricultural commodities.
- Poor state of roads and road networks, as only about **25%** of the rural villages in Nigeria are currently accessible by tarred roads

Regional Trade of Agricultural Products in Nigeria

Despite the barrier to regional trade and import restrictions on key food commodities, Nigeria spends an estimated average of 800 billion Naira on imported agricultural products



Key Insights

- The total trade of the region has averaged **\$208.1 billion¹**.
- Nigeria accounts for more than half of total trade carried out in the ECOWAS region
- Regional trade is highly informal. Unrecorded or informal activity could account for as much as **64% of Nigeria's GDP**.
- In the first quarter of 2019, imports of agricultural products into Nigeria were valued at **N236 billion**.

Key Challenges in Nigeria

- The value chain specific policies of the Nigeria government are inconsistent and poorly communicated to various stakeholders.
- Cumbersome documentation processes required from Nigerian businesses who are mandated to produce at least 9 documents in order to send an export shipment and at least 13 documents in order to bring in an import consignment.

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Challenges Faced by Women in the Agricultural Sector

Due to limited access to land, finance, inputs and skills, the productivity gap between women and men vary between **17%-46%** across regions in Nigeria.



1 Limited access to financing to scale agric enterprises

2 Limited land holding & ownership; Dependence on family/husband for land

3 Limited access to market information and activities

4 Limited access to education and training to enhance productivity

5 Cultural beliefs that relegate the participation of women in agriculture

6 Limited availability of women-friendly agriculture technology

Challenges Faced by Youth in the Agricultural Sector

Key economic, environmental and social factors such as archaic practices, poor perception about the sector and volatility of the agribusiness operations limit youth participation in the sector



1 Youth perception that the sector is impoverished

2 Limited adoption of innovative technologies that can attract youths

3 Limited access to credit, insurance, capital and inputs

4 Weak educational system to develop skill required in the sector

5 Limited access to land, climate change issues, soil degradation

6 Limited infrastructure and enabling environment for agricultural activities

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Challenges Facing Agricultural Financing and Partners Agriculture

Lending rates, bad debt, limited business skills of farmers and the risks inherent in the sector are the key challenges limiting access to finance for agriculture in Nigeria

Key Agri-Financing Challenges

1 **Financial Exclusion of Rural farmers:**

Farming households in rural areas lack access to basic, relevant and affordable financial products

2

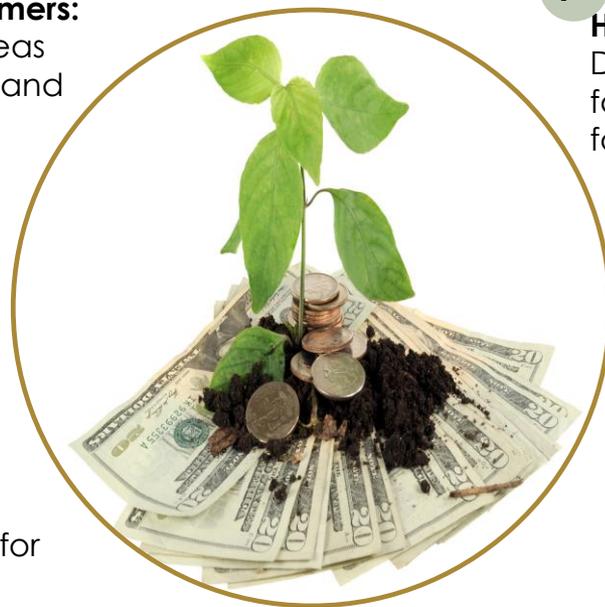
Bad Debt:

Poor loan repayment rates by agricultural enterprises.

3

Inadequate Institutional Coverage:

Lack of rural credit systems for smallholder farmers.



4

High Lending Rates:

Double-digit interest rates discourage farmers and SMEs from taking credit for their agribusinesses.

5

Unwillingness of Financial Institutions:

Reluctance of private sector actors to lend to farmers/agripreneurs due to the perceived risks.

6

Financial Readiness Gap:

Agripreneurs lack the required business skills and governance structures to access financing.

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Technologies that Can Drive Disruptive Agriculture Transformation



Sensors

Can provide farmers with real-time information about the state of their crop, livestock, soil or farm machine to drive decision making to optimize production.

Applies the principles of biological and physical sciences to manipulate or impact the genetic traits of a crop to improve its performance and nutritional content.

Bioengineering



Mobile Applications

Encompass solutions that leverage mobile infrastructure to meet farmers' information needs, build their capacity and increase their access to finance and to markets.

Automated Technologies

Include drones, unmanned aerial vehicles (UAVs), robots and artificial intelligence (AI) used to perform agricultural processes accurately and with limited involvement of humans.



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The Impact of Climate Change –Floods, in Nigeria

Global warming is approaching an all-time high of 3 degrees and global sea level could rise to 6 Feet (2 Meters) by the end of the century



In 2018, floods affected several people, causing deaths and injuries to people in states and Local Government Areas (LGAs) in central and southern Nigeria.

Several people were displaced in Adamawa, Anambra, Bayelsa, Benue, Delta, Edo, Kebbi, Kogi, Kwara, Niger, Rivers, and Taraba states (August 2018)

The effects of climate change including dry lands, unpredictable rain patterns, are the main causes of the farmer - herdsman crisis in Nigeria.

Agricultural produce are also lost to yearly changes in climate.

*“In September 2018, Coscharis Farms Ltd had about **20%** of its rice farm submerged in floodwaters in Anambra State”*

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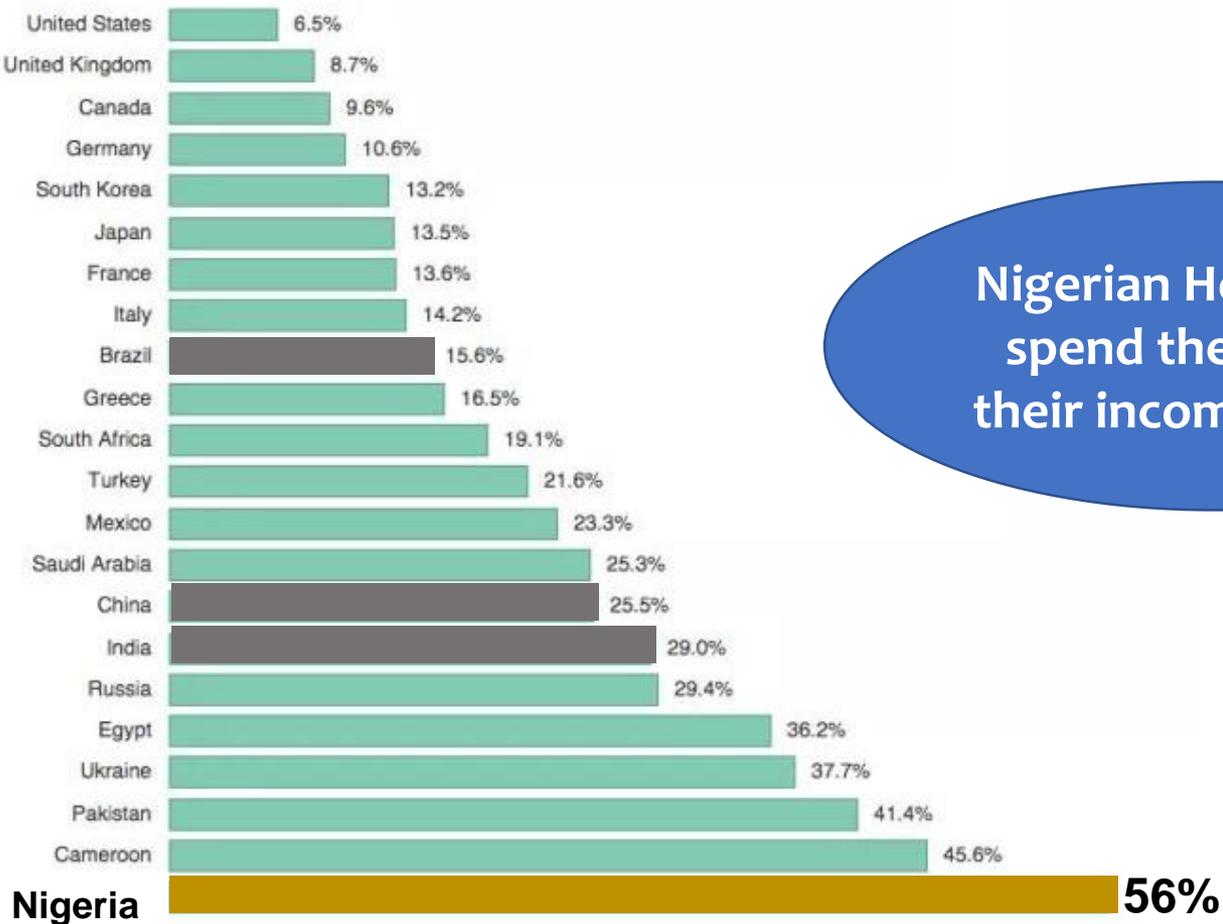
2050 in View...

Given the 2050 projections, there is a sense of urgency for key stakeholders to take critical actions to unlock the constraints in Nigeria's agriculture sector

Sector	2018 Data	Projections for 2050
Population	<ul style="list-style-type: none"> 195,874,740 	<ul style="list-style-type: none"> 401,315,000
GDP in Purchasing Power Parity terms	<ul style="list-style-type: none"> \$1.17 Trillion 	<ul style="list-style-type: none"> \$4.3 Trillion
Malnutrition	<ul style="list-style-type: none"> National acute malnutrition: 18% - 35,257,453 	<ul style="list-style-type: none"> National acute malnutrition: 73,914,816
Food import bill	<ul style="list-style-type: none"> \$3.6Billion 	<ul style="list-style-type: none"> ?????

Over 70% under 35.

Nigeria ranks the No. 1 from behind....



**Nigerian Households
spend the most of
their income on food**

THANK YOU



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