

OPPORTUNITIES FOR IMPROVING THE GROWTH ENHANCEMENT SCHEME (GES)



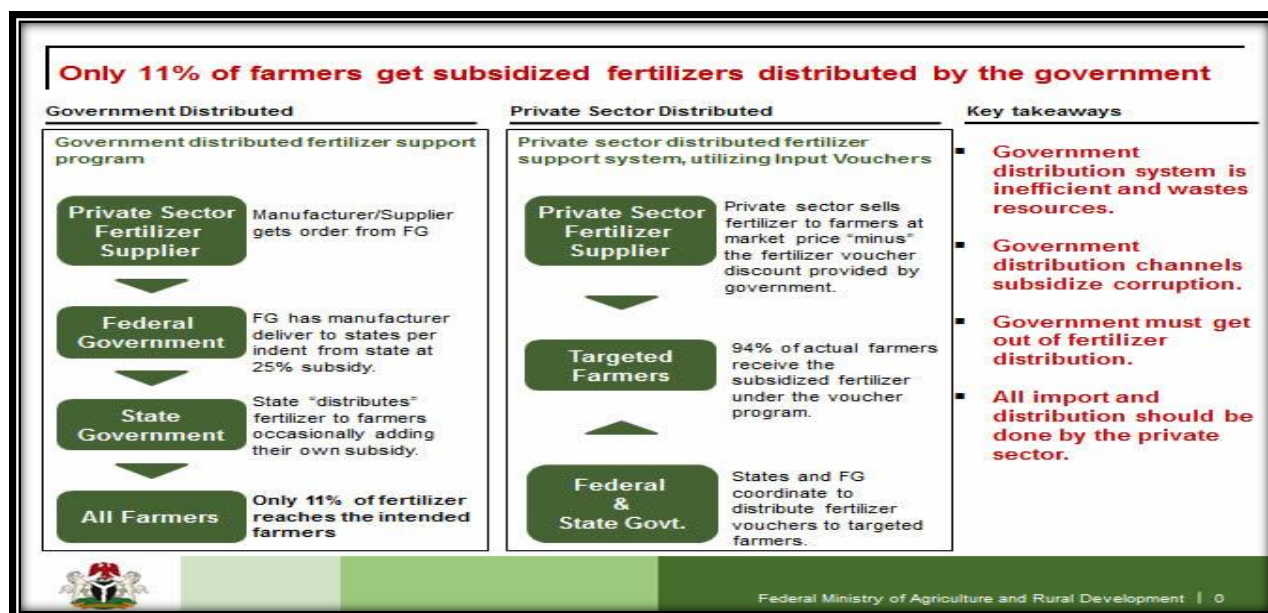
Source: Presentation of the Honourable Minister of Agriculture and Rural Development – Dr. Akinwumi Adeshina

1.0. Introduction

The Growth Enhancement Support (GES) scheme is one significant innovation in the Nigerian agricultural sector that has spurned a lot of interests among the stakeholders many of whom are desperate to make it succeed. NANTS has been involved in monitoring and tracking investment (budgets and allocation) on agriculture, trade and investment sectors of the economy through the *Nigerian Agricultural Policy and Investment Observatory (NAPIO)* project it designed. The NAPIO project is focused on measuring effectiveness, efficiency and clarity of implementation of policies in the agriculture and trade sectors.

Against this backdrop, NANTS has continued to monitor the Federal Government's implementation of the **Growth Enhancement Scheme (GES)** with a view to identifying the gaps in the implementation and the lessons learnt while also espousing possible recommendations that can be applied to improve the success of the policy initiative. The

overall goal is to use the GES as an instrument for assisting Small Scale Farmers (SSFs) to achieve increase in productivity towards a food security and sufficiency in Nigeria.



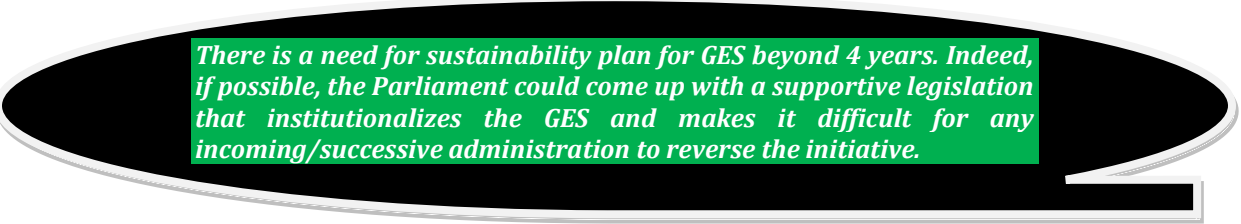
It would be recalled that NANTS had conducted an initial analysis of the GES and its implementation, documented the appraisal which was published in *'Farm and Food'* (NANTS monthly Newsletter) which was used for the engagement of government especially the Federal Ministry of Agriculture and the National Assembly. The engagements were in form of consultations with the Ministries, Departments and Agencies (MDAs) and briefings to the Parliamentary Committees on Agriculture (specifically the Senate and House of Representatives Committees).

As a result of the briefing, the Parliament convened an investigative Public Hearing on the GES through the House Committee on Agriculture which invited the Honourable Minister of Agriculture as well as NANTS Team to make presentations amidst agriculture stakeholders on the subject matter.

This report is therefore the second in the series of the observatory efforts over the GES implementation. It is a combination of outcomes of desktop review, further investigative appraisals, brief report/documentary conducted by NTA on the GES, information gathered

from some GES distribution centers, as well as summary of stakeholders' consultative meeting convened by NANTS to validate the report. The consultation brought together participants from different sectors including government officials, the private sector, civil society organizations, development partners, farmers and their cooperative, media, and the general public.

It is important to state that observers have noted that from the time of NANTS appraisal and the public hearing by the National Assembly to the present time, the GES implementation has noticed considerable improvement from the Federal Ministry of Agriculture in terms of number of beneficiaries and the process. However, there are still reports of irregularities and hiccups that need to be corrected to make GES work for the poor farmers.



There is a need for sustainability plan for GES beyond 4 years. Indeed, if possible, the Parliament could come up with a supportive legislation that institutionalizes the GES and makes it difficult for any incoming/successive administration to reverse the initiative.

2.0. General Observations on the GES: Existing Gaps

2.1. The fear of Policy Reversal

Observation:

Whereas more than 97% of those interviewed by NANTS are in support of the GES project, majority of respondents are however concerned that there is possibility of an incoming administration to discontinue the policy and revert to the old politicized process of fertilizer subsidy.

Recommendation:

Stakeholders in agriculture, particularly farmers and NANTS are of the strong view that there is need for Parliamentary action aimed at legislating and institutionalizing the GES

initiative for the purpose of sustainability beyond the current administration. For this reason, NANTS should lead an advocacy, first, through a formal request letter in this direction and the formal submission of official report of the validation to the National Assembly Committees on Agriculture and Rural Development. A follow-up advocacy visit should tag along the submissions for effective outcomes.

2.2. Evident Trace of Politics in the Implementation:

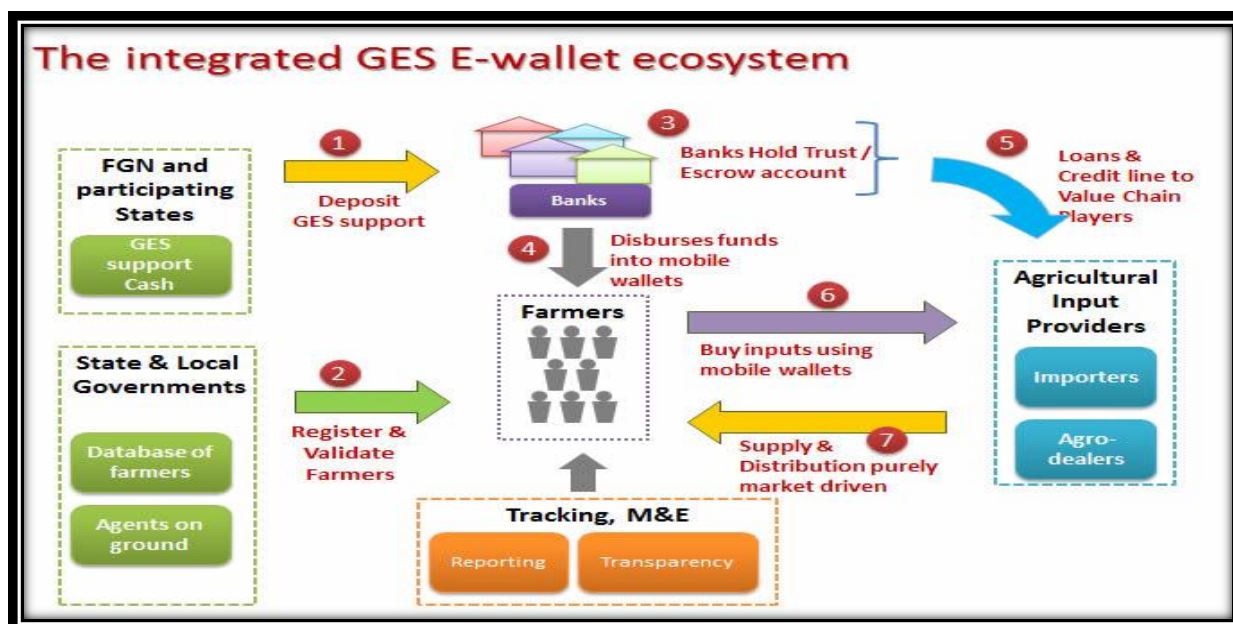
Observation:

Fertilizer distribution in Nigeria has for long remained a subject of politics. This position hitherto informed the introduction and relevance of the GES innovation. The general belief was that with the inception of GES, all political patronage would have fizzled out. However, this is not the case as fertilizer (though at a drastically reduced rate) still finds its way into the hands of political juggernauts, albeit in an indirect manner through appointed dealers. These politicians with their collaborators are seen boasting to their opponents in other political parties that they determine who gets the product. In some cases, it is seen that of a truth, their supporters and cronies are largely attended to or access the inputs. Although we have wondered how true these claims could be, however, it is important to ensure that such loopholes are plugged without leaving anything to chances.

Recommendation:

GES implementation must be depoliticized. Political affinity should not have anything to do with a subject of this nature which has everything to do with national economic development and citizens' welfare. Since GES fund accrues from tax payers' money and the national wealth, distribution of inputs thereof should therefore be treated as a right which every citizen is entitled to in line with the Constitution.

In practical sense therefore, government must ensure that input dealers/GES distributors are as much as possible dissociated from politics and political party affiliations and membership. This way, there would further reduced impact of politics on the GES implementation.



Source: Federal Ministry of Agriculture and Rural Development

2.3. Insufficiency of the Subsidy

Observation:

It has been severally noted that GES subsidy is too low to make adequate impact on farmers in terms of poverty status, agriculture and food security and the overall economy. Through the GES, each farmer is meant to collect 2 bags of fertilizer and one bag of seed at a subsidized rate. Agronomists have asserted that a hectare of farm land (e.g. maize farm) requires at least 7 bags of fertilizer. For some farmers, even among the Small Holders, while appreciating government's vision and magnanimity in this direction, it has become necessary to scale up the quantity of the GES subsidy.

Nonetheless, some farmers like Mr. Abel Agbo, a farmer from Otukpo and the Benue State Chairman of Middle Belt Small Scale Farmers Network (MIBSFANET) is of the opinion that two bags of fertilizer could be enough when viewed from the fact that many farmers are still unable to pay for their own amount of subsidy and if the quantity is increased/up-scaled, the amount to be paid by farmer will still increase putting additional burden on the farmer.

Recommendation:

In the light of the above, we recommend that government should concentrate on ensuring that all registered farmers access the first phase of the GES. If there should be any up-scaling, such subsidy quantity increase should be considered during the second phase of the GES. Indeed, this would also bring about equity in the distribution since all along, beneficiaries have received the same volume of inputs till date.

2.4. The Rigors of Accessing Inputs

Observation:

Although the bureaucratic process of accessing the GES inputs has reduced, there are yet complaints from farmers across the six geo-political zones that it still takes longer time than is required. For instance, a farmer Alhaji Yinusa from Zaria lamented that it took him five days and four times visits to access (collect) the fertilizers meant for him after he had received a text message. To worsen his situation, he said that although he showed the distributors the text message he received prompting him to come, he did not see his name on the list the time he arrived the collection center. It took serious pressure of repeated visits and exchange of words for him to be attended to.

Recommendation:

More distribution points should be created to increase GES access and make it closer to farmers. In the same vein, there is need to improve the GES technology to avoid verbal exchanges that are capable of reducing the import of the scheme.

2.5. Non Availability of Options

Observation:

The current GES as conceived targets providing two bags of fertilizer (NPK and Urea) and one bag of seed, to each beneficiary farmer. Many farmers have complained that the inputs concept did not consider giving them options irrespective of their divers needs. Some schools of thought have noted that this approach (one-cap-fits-all approach) may not be the most favourable towards sustaining a holistic agriculture development in Nigeria. For the seed in particular, farmers are not given options to choose what they plant or the varieties

that match/that are compatible with their farm land soil ecology. More so, in some places, only Urea (without NPK) was delivered to the farmers.

Recommendation:

Of a truth, owing to paucity of funds, it may be difficult to provide all categories of subsidy that are required by farmers and satisfy all farmers across board. However, it may not be altogether a bad idea for the GES to consider multiple options for farmers according to the variety of crops they focus on or seeds input of their interest. This way, government would have engaged in a holistic approach towards catalyzing agriculture from all angles especially from all niche crops as identified in the Agriculture Transformation Agenda and its value chain approach. In this regard therefore, it is recommended that the second phase of GES implementation should be designed to consider opening up the subsidy space and giving farmers options on the specific types and variety of fertilizer and seeds they may require, for the sustainability of food security agenda.

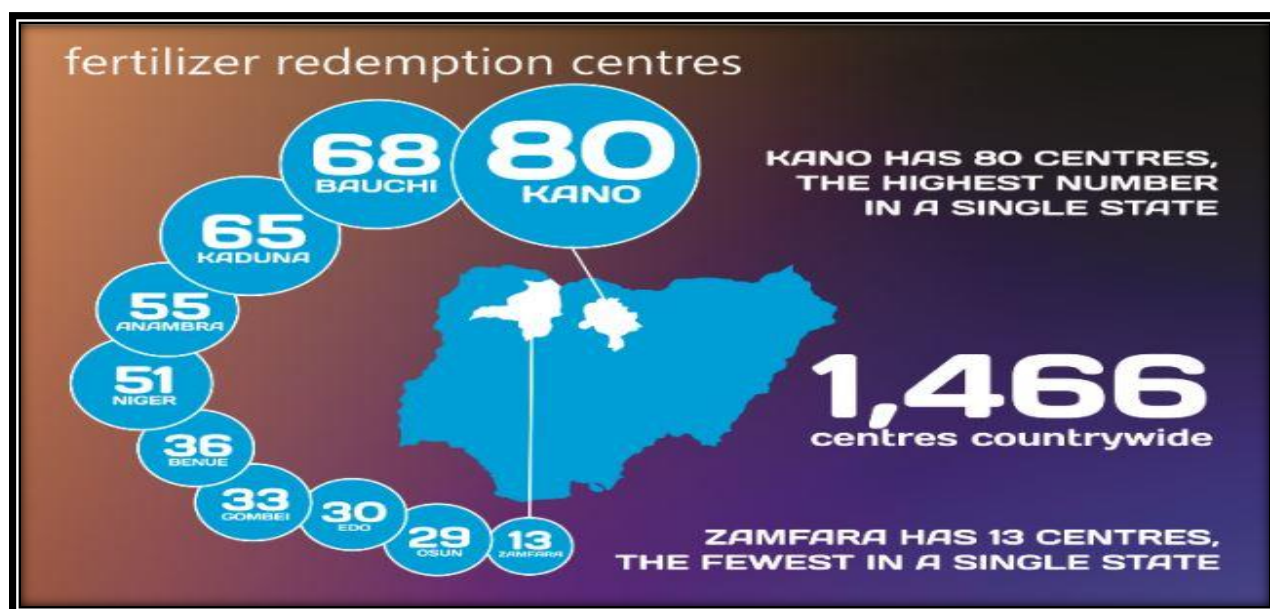
2.6. Proximity of the Distribution Centers to the Farmers

Observation:

Most of the real farmers live in the remote areas of the rural communities/hamlets. Often times, access from their homes to urban settlements are rough and difficult leading to high transportation costs. One critical challenge facing the GES implementation is the long distance between the farmers' location and the input distribution centers. The more frequent the farmer has to travel to redeem his/her inputs, the more expensive and difficult it becomes. At present, our field interviews have shown that there are farmers who have spent more than four thousand Naira (N4,000) on transportation alone chasing the inputs subsidy. There are others who rode upon their bicycle to over 7 kilometers, even under the fasting period for more than four times to the venue, yet without receiving the inputs. This does not in any way make any economic sense.

Recommendation:

We are meant to understand that each Local Government Area has at least one distribution center, and this is quite a commendable effort at reaching out to the local levels. However, it is important for the next phase of GES implementation to consider creating distribution points closer to the farmers in order to reduce amount (monetary cost) and time they spend on accessing the subsidy inputs. If this is not done, farmers may end up spending more than the amount of the inputs.



Source: Federal Ministry of Agriculture and Rural Development

2.7. Farmers Capture in the National Database

Observation:

It is observed that several farmers who were registered in 2012 and 2013 are yet to be captured in the national farmers' database. If this is the case, the implication is that they cannot benefit from the programme. By extension, this further means they are ostracized or remain excommunicated from the farmers family and from benefiting from the subsidy largesse, even as bonafide citizens of Nigeria.

The Director of GES with the Federal Ministry of Agriculture and Rural Development, Mr Akinbolawa appears to have admitted this much when he noted that *"in 2012, of the 4.2 million farmers that registered, only about 1.3 million farmers were captured and were able*

to receive subsidized inputs. Of the 5 million farmers registered in 2013, the system has captured only 3.6 and so only this number could have received fertilizer”.

Another problem associated with the GES is the issue of misplacement of names, where names of some farmers may appear on a list in a different redemption center of Local Government Area. In some cases, it also observed that some villages do not have networks and therefore farmers in such locations are not privileged to be part of the GES.

Recommendation:

It is recommended that the Federal Ministry of Agriculture and Rural Development must seek urgent ways of rectifying whatever problem it is that is responsible for the slow pace of the capture of registered farmers.

It is also important for the Federal Ministry of Agriculture to proactively and routinely monitor the critical aspects of the GES implementation; especially with a view to finding out whether all farmers that were registered have been network or captured in the data base, and whether they have all satisfactorily accessed/collected their inputs.

It is further recommended that the list of the farmers should not be a secret document, but something that should be made public and displayed (like the voters register) so that farmers can openly check their names and the names of their fellows.

For villages that do not have telephone networks, the government could devise a manual way of getting inputs to them, or use contact farmers or even Cooperatives who would receive all the needed text messages and find a way to take the inputs to, or share the inputs among the farmers.

There is also the need to create increased awareness on the GES especially within the localities. Community radio programme or town criers would be relevant to inform farmers of the existence of such important government policy as the GES. This is because not many of the farmers have access to information via the conventional radio programs or jingles on air.

Mr. Osho Akinbolowa, Director in-charge of GES in the Federal Ministry of Agriculture and Rural Development, Abuja, admits that the policy is not without challenges; but that 80 per cent of registered farmers receive their allocations under the present system as against 11 per cent in the past.

2.8. GES Inputs still find their way into the Markets

A critical observation from the field is that among farmers who are deemed to have received the inputs, not all of them actually physically got them and used them on their farms. Many of the inputs still end up in the open market where they are sold at about N6,000 per bag. There is connivance between some ingenious but fraudulent officials of government, middlemen and some poverty ridden farmers (who are so poor that they would readily give up their bags of fertilizer for a profit of as low as N500) in this business.

It is observed that farmers in some States are still being shortchanged by these corrupt officials and agro dealers who sell subsidized inputs meant for them to traders and then tick their names in the register as having collected their allocations. Some farmers express shock when they arrive at collection centres only to find out that their names have been marked as having already collected inputs, when in the real sense it is their first time of getting to the centre.

Furthermore, Ministry officials and agro-dealers also deny farmers their inputs by bringing non-farmers (including traders) on the queue either to create a chaotic and confused situation that destabilizes the distribution process so as to frustrate farmers who may have lined up in the queue for long under the scorching sun.

Recommendation:

Government must find ways of dealing with this ugly situation. A monitoring exercise can be deployed to engage the distribution centres. Participation and representation of stakeholders (including private sector organizations and especially the farmers groups) at the redemption points as monitors should be encouraged. These stakeholders should be

involved at all the critical stages of the policy especially in planning, monitoring and evaluation. Since there are different stages of implementation of the GES, there is need to monitor all the stages for effective implementation.

On their part, farmer organizations must check the excesses of their members and ensure that if possible, organizations or cooperatives could contribute money and pay for poorer farmers to collect their inputs and repay based on agreed patterns, schedules or installments.



Source: Federal Ministry of Agriculture and Rural Development

2.9. States Payment of Counterpart Funding

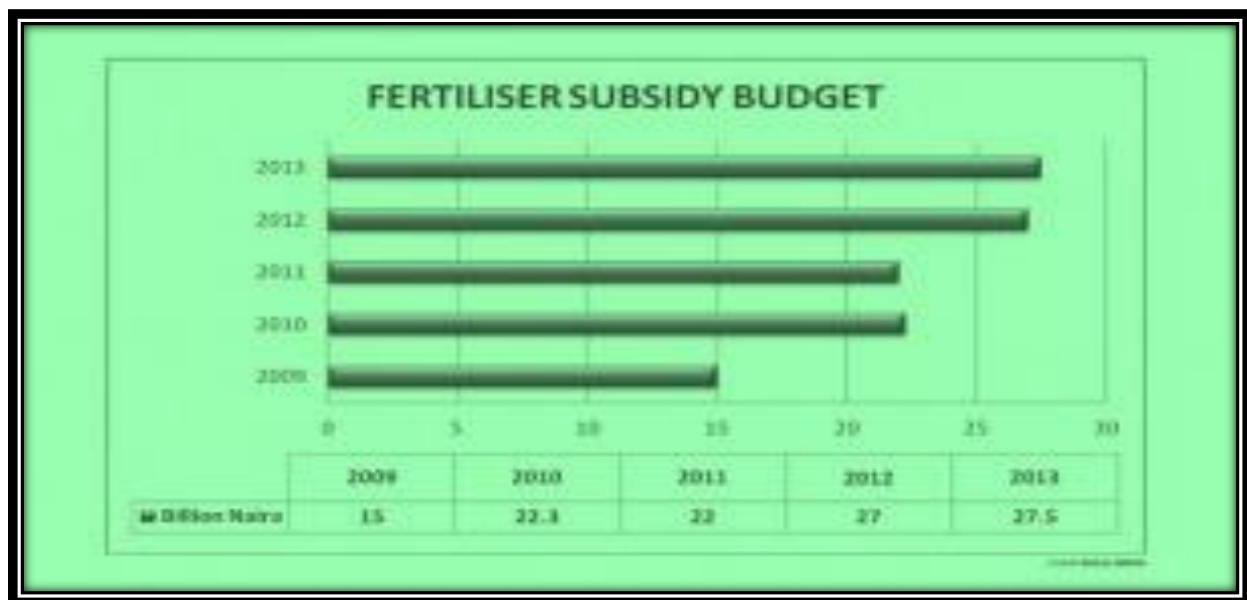
Observation:

We are meant to understand that the GES policy is conceived in a way that States are suppose to contribute counterpart funding to facilitate increased number of beneficiaries. Under the scheme, the federal government subsidized fertilizer by 25 per cent and the state governments are expected to add another 25 per cent subsidy so that farmers could purchase at N2,750 per bag instead of between N5,000 and N6,000, which is the market price. Each farmer is to get two bags of fertilizer at the subsidized rate, along with a free bag of either improved maize or rice. But as it is, available record shows that many States

are not living up to expectation on this commitment, and this has led to slow speed in the outreach of the GES.

Recommendation:

State governors must rise up to the occasion and see the contribution as one having direct impact on agriculture and the local/rural people whose votes brought them to power. Dividends of democracy can essentially be consummated through the instrumentality of the GES. Therefore, commitment of State funds to rescue the poor farmers and bring about food security within the States is very key to the survival of democracy.



2.10. Civil Servants Queuing for GES as Farmers

Observation:

During the launching of the GES programme in 2011, Agriculture Minister Akinwumi Adesina noted it was to reform the fertilizer distribution system which was riddled with corruption. He asserted that only about 11 per cent of farmers ever got the subsidized fertilizer in the past. The rest of it was diverted by *officials* and shared to well-connected

politicians or sold to marketers, leading to a loss of about N776 billion government funds between 1980 and 2010.

However, one atrocious act is the queuing of *civil servants* on the line as farmers to collect the GES subsidy. Investigations also reveal that this is another dubious activity perpetuated by corrupt government workers. Some of these people are seen even receiving more than the official two bags entitled to or earmarked for collection per person. It is observed that such inputs collected by these unscrupulous civil servants also end up in the open market; but the astonishing part thereof is that in States like Gombe, Bauchi, Nasarawa, and Anambra, such inputs are sold between N3,200 to N3,5000 as against the N5,500 which is the official market price sold by input dealers/companies that import the inputs. This is a shocking, sordid and shameful corrupt practice for a nation seeking for survival.

Recommendation:

We recommend that government commences inquiry over this with a view to fishing out those behind the organized racket of collecting and selling GES inputs to bulk traders and bringing them to justice so as to serve as a deterrent to others.

2.11. The Potency and Quality of Seeds Distributed

Observation:

The potency of the seeds and fertilizers that are distributed under the GES is an issue that keeps appearing and as very serious allegations that require to be ascertained. From Plateau to Osun, Nasarawa, Benue, Taraba, Bauchi, Gombe, Anambra, Cross River, and even the FCT, there have been reports pointing at some inputs as fake or below quality. For instance, some farmers have come up to complain that fertilizer they received was majorly sand-mixed.

Marcus, a rice farmer stated that the rice he received under the GES was coloured green and when he gave it to his chickens and they ate and did not die, his family started cooking

the rice to eat. He also attributed his action to the fact that the inputs arrived late (after planting seasons has elapsed).

Recommendation:

Quality control Agencies must be involved in the GES and be charged with the responsibility of certifying seeds and inputs within the GES. Such Agencies must live up to their responsibilities and ensure that such inputs are certified before onward distribution to farmers in order to avoid getting the farmers getting ripped off even in their extant poverty situation. In addition, Research institutes should be properly funded to provide suitable varieties that are adaptable for different ecological zones.

Furthermore, the redemption of inputs should be organized to take place between January and March of each year, except for some other seasonal crops. Such timeliness is instrumental to the usefulness of inputs to the farmers for cultivation.

On their part, farmers must be educated by their Cooperatives on the negative implications and health hazards associated with consumption of improved seed.

Companies involved in the production of organic fertilizer should be supported within the GES concept while farmers should also be introduce and encouraged to use organic fertilizers for environmental reasons.

2.12. Allowances to Enumerators

Observation:

There are claims within the GES environment that some of the enumerators and staff that assisted in the farmers' registration have not been paid their due allowances.

Recommendation:

Government must quickly ensure that such payments are made to ensure that integrity is still maintained, and more so, to secure the commitments of such staff while also reducing corrupt tendencies in the implementation of the GES.

2.13. Collection of Inputs at Different times


Observation:

It is observed that in some places, the inputs are collected at different times. The seeds may be collected at one time and the farmers would be asked to come back for collection of fertilizer at a different date. In some places, among reasons adduced to this is the shortage of inputs supply. This increases the farmers going back and forth to the redemption centre and therefore adds to the cost of transportation for the farmers.

Recommendation:

The GES policy is meant to alleviate the poverty of the farmers. For this purpose, the seeds and fertilizer must be collected together at the same time, even as the information is always placed on one text message.

To stem this tide, the agro dealers must be well funded in order to supply the required quality and quantity of inputs at a given time.



NANTS is advocating for a permanent interactive platform that would enable all stakeholders involved in the GES engage in regular reviews, evaluation of the process and for exchange of ideas that would catalyze and sustain the success of the project.

CONCLUSION



Osho Akinbolawa, Director of the Growth Enhancement Support (GES) scheme in the Federal Ministry of Agriculture and Rural Development, Abuja,

Overall, the GES has made inputs such as fertilizers and improved seeds closer and directly accessible to the farmers. The result of our investigations shows that there is an improvement in the GES implementation, especially for this year 2013. In view of the fact the GES is still at the infancy stage, and could still be regarded as experimental, the initial teething challenges expressed above are generally expected. The truth remains that there is need to sustain the programme in view of the fact that successive administrations may come up with a totally different policy that reverses or sets aside the good initiative.

Furthermore, for increased success to be achieved, more stakeholders need to be involved from the planning to implementation process.