

National Association of Nigerian Traders (NANTS)

Plot 19, Dan Suleiman Crescent, Behind Utako Market; FCT – Abuja

Tel: +234-9-7812124, +2348033002001, +2348056007788

Email: nants_nig@yahoo.com, info@nants.org

Website: www.nants.org

NANTS – USAID, Africa Lead

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COMMUNIQUE

PUBLIC-PRIVATE SECTOR STRATEGIC CONSULTATION ON THE AGRICULTURE SECTOR IN NIGERIA

**Hosted By National Association of Nigerian Traders (NANTS).
Bolton White Hotel, Abuja (Thursday, 1st September 2016)**



Africa Lead
Scaling up for food security in Africa



1. Background and Participation

Nigeria has recognized that improving the agricultural sector's performance is vital to growth and poverty reduction through its direct impact on food security, building resilience, livelihood enhancement and job creation, especially for women and youth. This is evident in the recent pronouncements by the President Buhari's administration which has also promoted the sector as the key driver of her economic diversification strategy. Interestingly, the agricultural sector presently contributes over 22 per cent of the Nigeria's GDP and employs over 70 per cent of the population. Empirical evidence suggests that a 1 per cent gain in GDP originating from agriculture generates a 6 per cent increase in overall expenditure of the poorest 10 per cent of the population.

However, the recent decline of oil revenues in the country has initiated discussions on how to transform the economy using the agricultural sector. Essentially, agricultural transformation requires that the sector is accorded the required attention in terms of policy, participation and funding and that both the public and private sector stakeholders play their roles effectively. There are many issues that have been acting as limiter to the expected transformation from both the public and private sectors viewpoints. This has initiated the need for a consultation of selected key players in the agricultural sector to harvest some of these issues for the purpose of proffering solutions to them through recommendations to the duty bearers.

Therefore NANTS in collaboration with Africa Lead organized a one-day roundtable consultation of selected MDAs and Non State Actors to brainstorm on the status of the Nigerian agricultural sector, issues, challenges and the way forward. Further, the consultation is intended to create an avenue for building the coordination between the public and the private sector. Interestingly, the government's new agric policy direction- the **Agricultural Promotion Policy (APP)** which is a successor of the Agriculture Transformation Agenda of the previous Administration, has just been finalized and adopted thereby presenting an opportunity for stakeholders to brainstorm collectively on necessary future steps in developing the agricultural sector in Nigeria.

2. Participation

The roundtable consultation has in attendance representatives from ECOWAS, IITA, the Nigerian Parliament (Senate and House of Representatives) and relevant Government Ministries, Departments and Agencies (MDAs) such as the Federal Ministry of Agriculture and Rural Development (FMARD – which made a strong presentation on the APP), the Federal Ministry of Finance (FMF), Federal Ministry of Industry, Trade and Investment (FMITI), Federal Ministry of Solid Minerals Development (FMSMD), Ministry of Budget and Planning, Nigeria Agriculture Insurance Commission, (NAIC), etc, Relevant private sector and farmer organizations, including civil society organizations also participated, including the All Farmers Association of Nigeria (ALFAN), Association of Small Scale Agro Producers in Nigeria (ASSAPIN), Manufacturers Association of Nigeria (MAN), National Association of Nigerian Traders (NANTS), Oxfam International, Actionaid, etc.

3. Critical Outputs from the Objectives

The stakeholders' consultation created a platform for the collective review of the agriculture sector and sectoral policy directions. The roundtable succeeded in:

- i. Updating stakeholders on recent developments in the agriculture sector's performance and policies in 2016.
- ii. Providing platform for a collective brainstorming on necessary directions and critical issues for the agriculture sector in Nigeria to take under the new government.
- iii. Deliberating on ways of improving coordination between and within state and non-state actors in the sector towards the achievement of the country's food and nutrition security objectives.
- iv. Identifying the challenges and key issues in the agricultural sector that require urgent attention, while also suggesting credible mechanism for multi-stakeholder coordination in the agricultural sector.

4. Conclusion and Recommendations

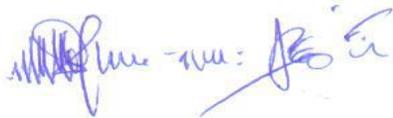
At the end of the consultations, the following recommendations were adopted:

- i. Participants applauded and commended the Federal Ministry of Agriculture and by extension the Federal Government for:
 - a. Providing the recent framework for agriculture intervention – the Agriculture Promotion Policy (APP) as a roadmap and way forward for agriculture in Nigeria covering the period 2016 to 2020.
 - b. Ensuring that the policy framework (APP) does not deviate from but has direct linkage with the predecessor – the Agriculture Transformation Agenda (ATA) which expired in 2015, thus encouraging continuity irrespective of political party affiliation between the two frameworks.
 - c. That the policy framework is comprehensive enough that if fully implemented has the capacity to practicalise the diversification of the nation's economy and a pull out of the current economic woods.
- ii. Participants however identified the need for adequate financing of the APP implementation as this would trigger positive multiplier effects on the GDP growth as well as wealth creation and poverty reduction using agriculture.
- iii. Participants further identified the need to ensure that the APP has direct linkage and collaboration with the ECOWAS Agricultural Policy (ECOWAP) and the Comprehensive African Agricultural Development Programme (CAADP) in order to foster effective outputs and results.
- iv. Participants noted that there is urgent need to commence the popularisation of the APP and sensitization of stakeholders/entire citizenry on the contents, underlying principles, strategic objectives, action plan, implementation strategies and monitoring frameworks embedded in the APP so as to mobilize the needed support, buy-in and collective action necessary for attainment of results.

- v. Participants advocated for quarterly review meetings of critical stakeholders in the agricultural sector to review policies and plans as well as map out strategies and actions towards the realization of the APP goals and objectives. Such meetings can be hosted and funded by the private sector or Non State Actors such as NANTS, as a collaborative contribution to good governance especially given the government's current economic situation occasioned by revenue depletion.
- vi. Participants particularly underscored the urgent need for a summit to address the persistent crises between farmers and pastoralists in Nigeria in order to safeguard the APP's agenda and guarantee its fruitful implementation. In addition, given that the subject (crises) has taken a regional dimension, such summit should be undertaken by NANTS and take into cognizance ECOWAS inputs and support.
- vii. Participants also highlighted the need for recognition of the third tier of government – the Local Government Authorities (LGAs) and their role in the agriculture sector especially given that agriculture is majorly undertaken at the local government level where rural farmers are largely domiciled. In this regard therefore, there is need for the Federal Government and the Parliament (National Assembly) to take pro-active measures towards a constitutional solution to the autonomy of the Local Government administration in order to release them from the shackles of the State so they could assume their functions/perform their responsibilities in overseeing agriculture at the local levels. This is critical for the survival and efficiency of results enunciated in the APP.
- viii. Participants commended the Federal Government through the Federal Ministry of Agriculture for underscoring the need for proper coordination among MDAs on agriculture and consequently instituting the Agri-Business Inter-ministerial Working Committee (AIM). However, participants called on the FMARD to expand the composition of the Committee in consideration of the need for joint actions, harmony of operations and essentially in recognition of the contribution of the Non State Actors (including key farmers organization, private sector and civil society organizations) in Nigeria's agricultural sector as clearly highlighted in the APP.
- ix. Participants reviewed past and current on-goings on the subject of access to agric finance in Nigeria. While applauding government for the creation of bailout facilities and initiatives aimed at providing access to credit and inputs for farmers, participants however called on the federal government to consider inward-looking criteria for accessing such loans and facilities. Specifically, regarding the N140 billion bailout created for traders and market women, participants implored government to insist that beneficiaries must be dealing on made in Nigeria products. Given that a major chunk of locally produced goods traded in Nigeria either as finished goods or raw materials are agro related, such policy criteria would trigger positive spiral effects by (a) providing increased market access to farmers produce, (b) increasing local productivity and employment, (c) sustaining food security, (d) reducing the unbridled importation of food products and associated capital flight in Nigeria, and (e) conserving foreign exchange, etc.

- x. Participants also took note of past initiatives on agriculture, and noted that many of the past initiatives of the federal government at uplifting agriculture in Nigeria looked promising but largely abandoned owing to policy reversals. Of critical importance is the Cassava Bread Initiative (CBI) designed by the past administration. Participants are of the opinion that the CBI should be reconsidered for reactivation especially given its capacity to lift Nigeria's economy in view of the comparative advantage the country wields as the largest producer of cassava globally, the large consumption and high cost of bread and confectioneries, as well as the potential impact on job creation.
- xi. Participants took a look at agriculture budgets and overall investments in the agric sector in Nigeria. Participants decried the poor financing of agric sector contrary to government's persistent policy declarations focused on reviving the economy through the agriculture sector. Therefore, the importance of an all-inclusive involvement of all actors in a policy dialogue prior to the commencement of the budgeting process was underscored. This is necessary for harvesting the specific needs assessment of all stakeholders/subsectors in order to create true picture/effective representation of facts and figures required for agric budget and its implementation.
- xii. Participants expressed appreciation to NANTS for all her efforts at ensuring that Nigeria and her citizens take the rightful policy decisions on agriculture, and Africa Lead and USAID for finding it worthy to partner with NANTS on the Nigerian agric project.

For: NATIONAL ASSOCIATION OF NIGERIAN TRADERS (NANTS)



Ken UKAOHA, Esq.
Secretariat President
