ALP BUSINESS REVIEW

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AGRICULTURE

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AGRICULTURE

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Executive Governor Kebbi State
Keynote Speaker- ALP Seminar 2018

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Tackling food insecurity amid economic turbulence

Highlights of ALP's Seminars on Agriculture 2017 and 2018

L-R front row: Oluyele Delano SAN, Senator Atiku Bagudu, Executive Governor Kebbi State and Chief Akinwande Delano SAN, Founder Akindelano Legal Practitioners

Over the last two years – 2017 and 2018 – the ALP Seminar has focused on the agriculture and agro-allied industries under the theme *Transforming Nigeria's Agriculture and Agro-allied Industries: Financing Opportunities and Challenges.*

ALP Seminar's foray into the agricultural sector comes in the wake of faltering prices for crude oil and Nigeria's dire economic need to diversify its foreign exchange earnings. Developing the agriculture sector seems an obvious solution.

But Nigeria's population is now three times bigger than when it was a global player in the agriculture space, and the infrastructure gap and the dearth of an integrated agriculture system have become a hindrance to a full resurgence of Nigeria's dominance in this sector.

The 2018 ALP Seminar featured His Excellency, the Executive Governor of Kebbi State, Senator Atiku Bagudu, who spoke on the trade war facing the Nigerian rice farming community.

He was joined by the CEO of Nigeria Incentive Based Risk Sharing Agricultural Lending (NIRSAL), Abdul-hameed, Dr. Kenton Dashiell, of the International Institute for Tropical Agriculture (IITA), and Mr. Ade Adefeko, of Olam Nigeria.

Senator Atiku Bagudu stressed the need for Nigeria to pursue food security through a systemic transformation of the nation's agricultural sector: "I think our quest should be for national food security, i.e., we should make a conscious effort to ensure that we will energize domestic food production in a competitive manner which is harmonious with our

obligations, nationally first, then regionally and internationally."

Governor Bagudu also stressed the need for the financial sector to start recognizing Nigeria's farmers as a proper entrepreneurial unit. He commended the Central Bank of Nigeria for sponsoring the Anchor Borrowers' Programme, which supports local farmers' access to much needed funds for their agricultural practices, adding that the scheme in his state has become so efficient that the state government no longer has any role to play.

The 2017 ALP Seminar also attracted many leading figures in the industry, including the Ogun State Commissioner for Agriculture, Mrs. Adepeju Adebajo, Deputy Director General for International Institute for Tropical Agriculture (IITA), Dr. Kenton Dashiell, Mr. Ade Adefeko, VP Olam, Mr. Mezuo Nwuneli, of Sahel Capital, Mr. Sadiq Usman, of Flour Mills of Nigeria, Mr. Oluyele Delano (SAN) ALP, Dr. Ajibola Samson, of Leadway, Mr. Chuka Mordi, of Union Dicon Salt, and many others.

The Seminar dealt with a) the role of research and technology; b) treating agriculture as a business; c) attracting investment into the agriculture sector; and d) the challenges involved in acquiring land for agricultural purposes.

According to Dr. Dashiell, there are many positive developments in the Nigerian agriculture space, including improved productivity in crops like soybeans, maize, and cassava. The intensification of cassava production has worked well, and Nigeria now has the highest output in the world – producing high-yielding, early-bulking varieties resistant to cassava mosaic disease (CMD).

The biggest target now is to achieve self-sufficiency in rice, maize, soybeans, and poultry production; 50% self-sufficiency in wheat and dairy production and in the fishing industry by 2019 through the establishment of a private sector-led, government-enabled input

ALP Seminar 7:
Transforming Nigeria's Agriculture and Agro-Allied industry

Speakers, Special Guests and Panelists

MR. JOHN DELANO

MR. KENTON DASHIELL

MR. MEZUO NWUNELI

MR. LEONARD OKEREAFOR

MR. VAN JONES

MR. AYODEJI BALOGUN

MRS. ADEPEJU ADEBAJO
Ogun State Commissioner for Agriculture

MR. ADE ADEFEKO

MRS. NKIRIU OKPAREKE

MR. MAWULI COFFIE

MR. RICHARD OGUNDELE

MR. ADENIJI KOLAWOLE

MRS. BUKOLA AWOSANYA

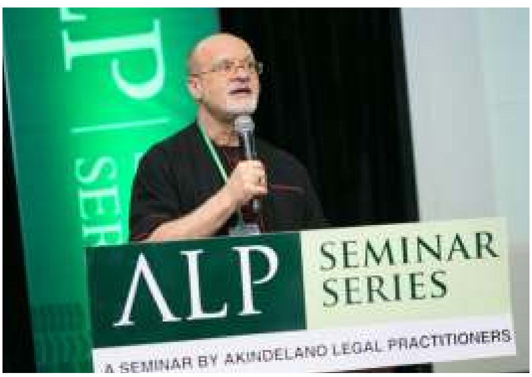
MRS. OLUFUNKE JONES

MR. ANTTI RITVONEN

MR. SADIQ USMAN

MR. BOLAJI AKINBORO

MR. CHUKA MORDI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distribution platform for the dissemination of a technology package.

Mr. Ade Adefeko delivered an interactive address in which he said: a) We don't need to wait for Foreign Direct Investment (FDI) when Direct Domestic Funds are being pumped into agriculture by the likes of Olam, Flour Mills, and Dangote Farms, to mention a few; b) Nigerian Farmers must form into aggregate groups so that they have a louder voice in the value chain; c) the Nigerian government (at the federal and state levels) must stop playing lip service to infrastructure reform, rather they must deliver on their promises to build more roads and bridges connecting rural areas to market towns; and d) agriculture must be addressed as a business not a social program.

According to Mr. Nwuneli, agricultural transformation is not only about food – it is also about the economy. Over the past ten years there has been a gradual increase in agribusiness investments in Nigeria. However,

even with this increase in investment, over $5 billion is still needed to provide required financing for farmers and agribusinesses.

The final session, *Navigating the Minefield of Acquiring Land for Agriculture in Nigeria,* was moderated by Mr. Oluyele Delano. He said, a) The Land Use Act has been singularly unhelpful in empowering companies seeking to own land for the purposes of agriculture; b) people are not incentivized or encouraged to bring their land into the realms of registered land because it is a disadvantage to do so; and c) a certificate of occupancy will limit ownership of land to 99 years, whereas unregistered land has no limitations of time attached to it.

All sessions are accessible on the ALP website: www.AkinDelano.com.

Agriculture as a Business: Approaching Agriculture as an Investment Opportunity

Akinwumi Adesina,
Director General - African Development Bank

"Agriculture is a business."

African smallholders are the private sector – the largest segment on the continent. By seeing agriculture as business, smallholders as customers and entrepreneurs, and companies as organizations that want smallholders as customers and suppliers, policymakers and investors can leverage the continent's existing assets to catalyze economic transformation rather than trying to create it from whole cloth.

A development bank is not necessarily an intuitive concept; most banks don't exist to serve explicitly social purposes. But what defines a bank is the way it conducts business, whatever that business may be.

This is why I say I wear my banker hat, and not my development hat, when I speak about agriculture. Agriculture is not a way of life. It is not a social sector or a development activity, despite what people may claim. Agriculture is a business. And the more we treat it as a business, as a way to create wealth, the more it will promote development and improve people's lives to boot.

The Power of the Private Sector

One way to treat agriculture like a business is to get the private sector more involved in it. When I was Nigeria's Minister of Agriculture, the most important thing I had to understand was that government can't create agricultural transformation; it can only enable it by making more room for businesses to intervene. We could do this by putting the right policies and regulations in place, by creating strong institutions, and by building sufficient infrastructure. But there is not much else government can do with a reasonable measure of efficiency. Agricultural transformation has to be led by the private sector.

The problem in Nigeria was that the private sector was largely non-existent in agriculture. Take fertilizer and seeds. For 40 years, the federal government had been procuring these inputs and filtering them down through layers and layers of state and local governments until, in theory, they got to the smallholder farmers who needed them. Except the theory rarely played out in practice.

Our data indicated that only 11% of the fertilizer procured by the government got to farmers in the end. Since the seeds also rarely got to where they were going, some suppliers started selling the government grain instead – counterfeit seed. In fact, the system existed to serve the rent-seekers attached to it, not the smallholders who were supposed to benefit from it.

With corruption and inefficiency like this, it wasn't hard to explain why a country with 84 million hectares imported almost all of its food. We decided to try to replace government-run agriculture with a set of small and medium enterprises that ran the gamut from providing inputs to smallholder farmers to transporting, processing, and selling food. These businesses would bypass government bureaucracies and build supply chains directly into rural communities, generating – we hoped – significant ripple effects.

We dismantled the public procurement system in less than 100 days. Over the next two years, the number of seed companies operating in Nigeria increased from just 11 to more than 100. The new fertilizer market mobilized 5 billion naira from private investors over the same span. Major players like Syngenta, which had stopped doing business in Nigeria because of the corruption, re-entered the market. We now have more than 5,000 mom-and-pop shops selling these companies' products – and providing informal agricultural training – directly to farmers.

I don't mean to make it sound so simple. Merely removing the government from the fertilizer and seed business doesn't guarantee that the private sector will step into the breach. We needed to demonstrate that there was a market opportunity – that farmers wanted to buy these products. But without a ready supply, it was challenging for farmers to express their demand. It was a classic bootstrapping problem.

The eWallet Platform

On the demand side, the key was making fertilizer and seeds affordable enough for smallholders to try. So we instituted a 50% subsidy, with the idea that farmers would fund more and more of their purchases over time. Subsidies are not new or radical, but we innovated by creating a new and radical delivery mechanism: the eWallet program. We knew that there were 130 or 140 million mobile phones in Nigeria, so phones seemed like the most efficient way to reach millions of farmers. As a side benefit, the eWallet program helped us make contact with farmers, which not only gave us more information about the population we meant to serve but also gave them a means to communicate back to us over time. Yes, eWallet was about delivering fertilizer and seed vouchers, but it was also about building a platform for interacting with millions of once-inaccessible smallholders in the future. Recently, we started using the eWallet platform to deliver other benefits, including vouchers for nutritional supplements.

Some critics said we were crazy for using mobile phones to try to transact business with people who could barely read or write. But we knew that they were already using their phones to arrange for remittances from relatives in the cities, which told us that they trusted mobile communication more than most government institutions. Our priority was to make sure that the mobile phone interface is translated into local languages. Now, eWallet has 15 million subscribers. I am especially proud of the fact that several million of those subscribers are women farmers, who have historically been neglected by agricultural programs.

The eWallet program helped with demand. If farmers were going to start purchasing fertilizer and seed in large numbers, though, we needed to make sure the fertilizer and seed was available, so it was critical to address the supply side, too. The problem was the lack of capital for agricultural start-ups; the solution we hit upon was easier credit.

The ministry of agriculture collaborated with the Central Bank of Nigeria to create a new initiative to share risk with banks and encourage them to make more loans to agricultural businesses. With a little more assurance, banks have increased their lending to the agriculture sector from roughly 10 billion naira annually to in excess of 40 billion naira.

Balancing the Scale

I recount this history from Nigeria because it demonstrates four key principles that are guiding me as I take on my new role at the African Development Bank. First, smallholder farmers can be customers. Second, companies are interested in serving them if the conditions are right. Third, mobile phones can facilitate transactions that used to be prohibitively expensive. Fourth, scale.

Africa is the fastest-growing continent in the world, with a population that already surpasses one billion. The majority of those people earn their living by farming small plots of land. So any institution that is dedicated to inclusive growth for Africa must stand for reaching all African smallholders.

There have been more successful pilots in agriculture than I can count. Sometimes, I joke that we have too many pilots and not enough planes for them to fly. Beyond pilots, we have the accumulated experiences of more than 50 African countries to draw from. Kenya has taught us how to build a thriving horticulture sector. Ethiopia has taught us how to improve extension. Tanzania succeeded in creating growth corridors. Rwanda figured out land registration and titling. Mozambique and Ghana discovered innovative ways to finance agricultural development. We need to take those lessons and apply them on a grand scale.

The African Development Bank is poised to do this because we have resources and relationships with every country on the continent. Currently, about 8% of the portfolio is in agriculture (I plan to increase that number), but almost everything we do impacts agriculture in one way or another, because we focus on infrastructure investment.

Our work to build roads, to provide energy, and to create telecommunications networks will help farmers as much as anyone else as long as we do it properly. We aim to think holistically about our infrastructure investments, so that they form a core of a strategy to link smallholders to the burgeoning formal economy.

The truth, however, is that the African Development Bank is very small relative to the need for investment in African agriculture. Like every business, we need leverage. Building on the lessons I learned in Nigeria, I hope to use our balance sheet to share some of the credit risk of agriculture sector lending across the continent.

Agriculture is seen by banks as a huge risk. It doesn't have to be. If we use our resources to guarantee some loans and help banks get more comfortable with lending in the sector, then we believe we can unlock the many billions of dollars needed to spur new businesses and help the sector function properly. There is no shortage of entrepreneurs who want to serve farmers' needs. There is only a shortage of capital. If entrepreneurs have the resources they need, then we can get a lot closer to agriculture as it should be – as a business.

Smallholders Have Big Potential

It is easy to forget that the largest private sector group in African agriculture is the smallholder farmers themselves. For decades, farming was viewed as a subsistence activity whose loftiest goal was food security for individual households. But life is about more than having enough food to survive. Farmers want to eat nutritious food that helps them thrive. Beyond food, they want education, health, and housing – comfort and a promising future – and they will invest in those things if given the opportunity.

When I was a boy in a village school, every classroom was full when the harvest was good. But when the rain failed and the crop was meager, families had to pull their children out of school to work. Many classmates who were just as smart as I was had to drop out so their families wouldn't starve.

Sending children to school when there's enough food to go around is a business decision, and so, unfortunately, is taking children out of school when their labor is needed to keep the household functioning. If the development sector starts treating agriculture as a business, then the hundreds of millions of small business owners operating farms will have better options from which to choose.

My father, who grew up farming, used to tell me that "agriculture doesn't pay." And when farmers have no access to finance, inputs, information, or markets, it doesn't. But there is so much value inherent in agriculture, and we need to unlock it.

Agriculture can pay. Hundreds of millions of small farmers, thousands of local agribusinesses, and hundreds of seed and food companies will make it pay, as long as the development community and governments are willing to try something new.

And when I say pay, I mean it in the broadest sense of that word. Yes, pay in terms of incomes for smallholders, and yes, pay in terms of profit for the businesspeople engaged in the sector.

But also pay in terms of a healthier and happier life for hundreds of millions of Africans, and a stronger Africa.

A Personal Story

Poverty for me is not theory: I lived in it and came out of it. My father grew up as a farmer. Father got the opportunity of a lifetime from a benefactor who took him to Lagos and enrolled him in primary school at the age of 14 years.

I attended a village secondary school without electricity or plumbing. When the harvest was good, my classmates, the children of farmers, were in school. They dropped out when the harvest was poor or prices fell.

My father told me, "Son, you never know what God might make you in life. If you ever become an important person, remember the **poor. Get poor farmers out of poverty." While** my PhD in agricultural economics at Purdue University gave me the knowledge to work in agriculture, it is my father's words and my growing-up experience that made it my life ambition to use agriculture to lift millions out of poverty.

As Minister of Agriculture in Nigeria, my team and I helped initiate an agricultural transformation that impacted 14.5 million poor farmers. Today, as President of the African Development Bank, my passion remains the same. In treating agriculture as a business lies the future for the economic revival of Africa's rural communities.

Note: This article was originally published by Foreign Affairs (ForeignAffairs.com).

Akinwumi Adesina is the President of the African Development Bank. He holds a Bachelor's degree in Agricultural Economics with First Class Honors from the University of Ife and a PhD in Agricultural Economics from Purdue University. He was Minister of Agriculture for Nigeria from 2010 to 2015.

Navigating the minefield of Agricultural Land acquisition in Nigeria (Delivered at ALP Seminar)

Mr. Oluyele Delano, SAN
Managing Partner, Akindelano Legal Practitiioners

Introduction

The subject of land is an emotive issue. In October 2015 Mr Disu (of blessed memory), then managing director of the Lekki World Free Trade Zone had attended an official meeting to settle communal dispute over free trade land which had been acquired by Lagos State.

He was shot dead by a member of one of the disputing communities. This story is not unique, but it is a high profile killing and an extreme example that demonstrates the inherent risk in land acquisition in Nigeria.

Today I will highlight some to the legal and practical issues which may confront an investor in acquiring Agric land and risk factors to bear in mind making your investment.

Ownership of Land Under Customary Law

Most of Nigeria's land is classified as non-urban areas which despite the prolongation of the Land Use Act is still governed by Native law and Custom ("customary law").

The nature of customary ownership of land has long been settled by law. It was vested in a community as a whole, the Village or in the family (the extended family) as a group. In the celebrated case of Amodu Tijani v Secretary of Southern Nigeria, the accepted was that the traditional belief is that *"land is conceived as belonging to a vast family of which many are dead, few are living and countless members yet unborn"*. The concept of Native land ownership opinion of Viscount Haldane at the Privy Council where he said:

"...it is important to bear in mind in order to understand native land law is that the notion of individual ownership is quite foreign to native ideas. Land belongs to the community, the village or the family, never to the individual. All the members of the community, village or family have an equal right to the land but in every case the chief or headman of the village or community or head of the family has charge of the land and in loose mode of speech is sometimes called the 'owner'.

The Customary law provisions are as relevant today as they were before independence. Now this are the areas most sought after for Agric land and even for large Agro Allied industries. So at the stage of land acquisition particularly in rural area I suggest you pack your sophisticated Oyinbo and knowledge of Agric science, Business Modeling and strategies or even financial derivate to one side. These tools won't help you.

You need to downgrade to the level of the natives owners and acquire and deploy tools that will aid your investigation and eventual negotiations for the purchase of the land. You need to speak the Native lingo or get someone who can, you need to look less like a stranger, you need to understand the local traditions, you need time and patience to understand the nuances of the negotiation process in order to get the best deal. Can you prostrate Story of my father.

The Problem with Customary Law

Customary law has no durable mode of recording transactions or evidence of title and it depended mainly on unreliable human memory and stories passed from generation to generation as root of title. This was a recipe for multiple sale to innocent purchasers and fraudulent dealings and endless litigation.

- Typically, litigations involved questions of legal status i.e. whether an individual is a family member, who is the head of the family or even a stranger; under what conditions is a land held;
- the boundaries between two Communities, individuals and families; disputes as to ownership of land and whether a customary tenancy existed between two neighbouring Communities.
- There are also disputations within a family over the right to alienate land; effect of a defective alienation may be void, voidable or valid. There are also litigations over distribution of rights between the group and the individuals for example, whether the head of the family is to be held to account by the members of the family.

In 1967 this is what Prof B.W. Harvey said about the unwieldy state of customary law:

It is a sad commentary to the vagaries of customary land law that the lawyers in Nigeria whose specialty is conveyancing tend to take the view that it is not prudent to advice a client to proceed with the purchase of land held under customary tenure unless there are exceptional circumstances. Special circumstances might exist where land is owned by a well-known family whose ownership has been confirmed in an action for declaration of title in the High Court or Supreme Court.

Failing such circumstances, the legal practitioner would do well to bear in mind the following dictum of *Sir John Verity ... in Ogunbambi V Abowaba, 13 WACA 222.* It passes my comprehension how in these days when such disputes have come before these Courts over and over again, any person will purchase land from the (Oloto) family without the most careful investigation, for more often than not they purchase a law suit, and very often that is all they get.

Limitations of Customary Title

Now of what real value of the customary title. The limitations of the ancient law becomes evident when you consider its applicability to even the rudimentary transactions such as customary pawns, pledges and mortgages of land for the purpose of raising money. Basically under customary law, the only tenure which a member of a Family may hold, charge or pledge as security is limited to the right to the use of the

land subject to the overriding rights of the Family as a whole. Transactions under customary law are undocumented and there is no statutory imposition of registration. This offers but little or no security in modern day commerce.

Subtle differences in applicable law may also catch the unsuspecting investor unaware. Uncertainties as to the applicable customary law or the validity of a particular title are the primary factors which make customary tenure unsuitable as security to support credit facilities. As expected hardly any commercial bank and money-lenders will lend money to holders of land held under a customary tenure.

It is pertinent to also mention that long undisturbed possession of customary land gives no additional succour, because customary law does not recognise the equitable principle of Lashes and Acquiescence and the Statue of Limitations don't apply. There is no time bar to challenging a customary title.

These and the other problems already mentioned have made it difficult to unlock land held under customary tenure and this system continues to have a strangle hold on the Nigerian Economy.

Legislative Intervention in Land Tenure

The Governments policy continues to be to intervene through legislation to drive conversion of all land from customary to English land tenure system. Government introduced Crown grants in 1864 and later a system of land registration. Then the Government imposed a requirement for the registration of instrument affecting land- Land Instrument registration law was first introduced in 1910 and there was also the Land Registration of Titles law Cap 181.

These legislative interventions had very little effect. The result is that the legislative intervention has all but failed, an overwhelming proportion of land in Nigeria is still held under the customary land tenure. The rate at which land is being converted from customary tenure to English tenure is painfully slow and fraught with ever present risk of litigation and attendant waste of resources.

The Land Use Act 1978

The complaints against the Nigeria's existing land tenure regime crescendo around 1975 when the Government national development plan initiatives all but ceased. Access to land was cited by virtually all Federal Ministries as the singular factor which most frustrated implementation of their development projects.

At that time Land could only be acquired by Government in exchange for compensation measured in real market value. This requirement, together with a complex negotiation process and uncertainty of titles proved prohibitive.

The Government therefore sought to simplify the Nigerian land tenure regime by

enacting the Land Use Act 1978 ("the Act"). The objective of the Act were: to remove bitter controversies and endless litigation over land which sometimes resulted in loss of lives; simplify the ownership and management of land; encourage access by all citizens to affordable land; provide Government with better access to land for public purposes and also facilitate town planning.

At its introduction, the Act was considered revolutionary. It aimed to set about a transformation of lands from a customary land tenure regime to a statutory tenure in land by adopting three main strategies.

- By expropriated land originally owned by Families and Communities and vested same in the State;
- by replacing proprietary rights in land with usufructuary rights;
- and by adopting an administrative system of allocation and control of land, instead of market driven system.

I think most commentators will conclude that the Land Use Act has failed in so far as it has not achieved any of the objectives it set out to address. I will just highlight some of the areas of most concern.

The Certificate of Occupancy

Section 1 of the Act provides that all lands within each state territory is vested in the Governor of the State to hold on trust and administered for the use and common benefit of all Nigerians. The Governor has power under Section 5 (1), Sections 8 and 15 of the Act to grant statutory rights of occupancy to citizens who are to have sole right to and absolute possession of all improvements on land. This right is evidenced by a 'Certificate of Occupancy'.

The existing rights and title held under the customary tenure and English tenure were converted into rights of occupancy by the transitional provisions of Sections 34 (2) and 36(2) of the Act. By these sections the existing title holders are deemed to have been granted Certificates of Occupancy by the Governor (and are here called 'deemed grantee'). These Certificates are reckoned on the same footing as Certificates expressly granted under section 5(1).

In practice, however there is no parity of rights between a holder of a Certificate of Occupancy and a deemed grantee. Like the Certificate holder a deemed grantee cannot alienate his rights without the Governor's consent and his right is also subject to revocation in accordance with section 28 of the Act.

But, unlike a Certificate holder who holds same under certain terms and conditions contained in the Certificate i.e. payment of rents, charges and duration of tenure (usually 99 years), a deemed grantee has no such conditions imposed on him. In reality a deemed grantee's holding is akin to a freehold and he suffers no burden of rent or other conditions. The Act does not stipulate a tenure for the deemed grant.

Furthermore, the Act does not provide for the renewal of an expiring Certificate of

Occupancy, whereas a deemed grantee has no need to renew his deemed grant. As a consequence of these perceived advantages, deemed grantees are loath to apply for Certificates of Occupancy since there is no statutory obligation to do so and often seek to avoid official record of post Act transaction on their land. Indeed for many years after the promulgation of the Act deemed grantees sought to avoid the effect of the Act by backdating their land transactions.

Legal Nature of the Right of Occupancy

The nature of the rights granted by the right of occupancy and the legal protection it offers is uncertain i.e. whether it is a lease or contractual licence. The Supreme Court noted this uncertainty in Savannah Bank v Ajilo. *Prima facie* the rights granted under Section 15 of the Act amounts to no more that a contractual licence to use for a term of years. While it permits a holder to alienate or mortgage the improvements thereon, yet it vest no proprietary interest in the land. The fact that compensation payable in the event of a revocation is limited to un-exhausted improvements on the land shows that no monetary value is placed on the bare land. This underscores the view that the right granted is a mere licence to use. **For lawyers this means that a right of occupancy cannot be subject of a mortgage since the holder has not legal tile in the land. Therefore land cannot be used as collateral to borrow money.**

However and thankfully in *Savannah Bank's* case and later in Osho V Foreign Finance Corp, **the Supreme Court was prepared to treat the right of occupancy as a leasehold interest.** It opined that to the extent that the right was granted for a specific term it had the semblance of a lease. In addition the holder's right to alienate and mortgage a right of occupancy exceeds that ordinarily within the power of a licensee at common law. The Court recognisees the point that by limiting the right to exclusive possession of improvements on land only, a right less than a lease under common law is suggested.

Right of Occupancy vis-a-vis Existing Tenures

Most of us probably believe that once you are able to acquire a Certificate of Occupancy from Government you title to the land is assured. You need not worry, but this is not so.

Point 1

Remarkably, the Court have construed a Certificate of Occupancy issued by the Governor as mere evidence of a right of occupancy, which does not of itself confer title on the holder. It is not a conclusive proof of title. Section 5(2) of the Act states that upon the grant of a right of occupancy all prior existing rights over the land is extinguished. This suggests that all existing customary tenure or English tenure howsoever created are extinguished and thus signals the abolition of these tenural system, but the court are not inclined to this view.

The issue came to the fore when **customary tenants** who were in physical occupation of land procured Certificates of occupancy in their favour (pursuant to sec 36 (2) of the Act). The tenants' ulterior objective were to divest their overlords of ownership by relying on section 5(2) of the Act.

Reasoning

One of the first cases to decide this issue is Onwuka v Ediala where the Supreme Court pointed out that, while Section 1 of the Act does expropriate the ownership (i.e freehold title) vested in the Communities, yet there remained a Customary **right to use and control of the land**. This right was not expropriated and so it was held that Section 36 does not enlarge the right of a Customary Tenant to ownership of land which he occupied before the Act.

His status remains the same subject to the conditions attached to the customary tenancy. Hence a person or community that had title to land before the Act is after the Act, deemed to be holder of the right of occupancy. The Court drew a distinction between the former Land Tenure Law which defined a right of occupancy as a "title to use and occupy", the Land Use Act which does not adopt similar wordings.

Point 2

Consequently, it is now settled that where a Certificate of Occupancy is granted to a person who had no title to the land before the Act, such Certificate is liable to be set aside at the instance of someone with better title. In Ogunleye v Oni the Court held that a weak title is not strengthened merely by the issuance of a Certificate of Occupancy. While the Certificate of Occupancy does raise a presumption in favour of the holder; it is only *prima facie* evidence of 'right' which shifts the onus of disproving this right on a person who asserts the contrary.

Thus a person with an existing right to land under customary tenure or English tenure can seek an order of Court for a declaration that he is entitled to the right of occupancy over the land. *Salami vs Oke.*

Point 3

The Courts also rejected the literal effect of Section 5(2) of the Act as being to divest the existing title holder. In Dantsoho v Mohammed two Certificates of Occupancy had been issued in respect of the same land and the court had to determine priority.

The Supreme Court rejected the contention that under Section 5(2) any existing rights accruing under the prior Certificate was extinguished by the grant of a subsequent Certificate. It stated that Section 5 (2) must be read together with Section 28 of the Act which specifically provides for the revocation of Certificates of Occupancy and then concludes that a Certificate is only revocable in accordance with Section 28 of the Act and not otherwise.

Consequently a right of occupancy is only extinguished after a valid revocation. In Shell Petroleum Dev Cop of Nig Ltd v Amadi where a Certificate of Occupancy was issued over land originally held by a deemed grantee, the Court extended same protection to the deemed grantee.

On principle, the conclusion reached by the Court is difficult to fault in the light of rules of interpretation of expropriatory statutes. In Maxwell on Interpretation of statutes It is a fundamental principle of law that "it is presumed that the legislature does not intend to make any change in the existing law beyond that which is expressly stated in or follows by necessary implication from the language of the statute in question".

Point 4

It soon became clear that the Act made no real difference to a Customary or English tenure. Justice Belgore JSC (former Chief Justice of Nigeria) said as much in Abioye v Yakubu. He said: The Land Use Act has been variously described as a revolutionary law... or a law to change the land management in Nigeria....But as a the result of this decision, the Act which appeared like a volcanic eruption is no more than a slight tremor...section 36 has not divested the traditional holders of their land unless such land is legally acquired by the government or local authority".

Thus, not much has changed, the customary tenure and received English tenure system, indeed the duality of tenure continue to fuel litigation till this day. The Act only managed to add another tenurial layer for lawyers to grapple with.

Alienation and Collateralisation under the Act

Section 15 and 22 provides for the alienation of a right of occupancy by assignment mortgage etc subject to the subject to the consent of the Governor first had and received. *The consequence of failure to obtain prior Governor consent to a transaction transferring interest in the right of occupancy is that such transaction is null and void under Section 26 of the Act.*

These provisions were initially applied strictly by the Court. Until the case of Savannah Bank v Ajilo (Supra). The Plaintiff, a deemed grantee of a right of occupancy sought to declare void a mortgage deed by which his right of occupancy was mortgaged to the Defendant Bank. The Bank apparently conceded the point that the mortgage deed was void if no Governor's consent had been first obtained, but nevertheless contended that the consent provisions only applied to holders of a Certificate of Occupancy and NOT to a deemed grantee.

The Court held that the requirement for consent applied to a deemed grantee to the same extent as a Certificate holder and therefore declared the mortgage void.

In its judgement the Supreme Court expressed concern for the impact of its decision on commerce, particularly with regard to securing capital. The Court thus called for an urgent review of these statutory requirements. Naturally, the decision cause panic in the banking sector, for many mortgages were without Governor's consent (a cumbersome and protracted process), and remained unperfected. On the authority of the Savannah Bank case the mortgages were void.

Regrettably, the Government failed to heed the warning and so it fell on the judiciary to seek to water down the effect of the *Savannah Bank Case*. The first opportunity to do so was in National Bank of Nigeria v Adedeji, where the Court of Appeal where refused to set aside a mortgage deed (alleged to be void for lack of consent) on the ground that it was the duty of the customer to obtained consent. Therefore he could not rely on his own illegality to invalidate the mortgage. This decision helped to calm the market somewhat.

It was not until 1995 in Awojugbabe Light Industries v Chinukwe that the Court again had opportunity to consider the question of consent under Section 22 of the Act. This time the Court relied on the Privy Council case of *Denning v Edwardes (1961) AC 245* in its reasoning that the Act does not prohibit the execution of an "agreement to transfer right of occupancy", such an agreement is not void.

In fact the Act contemplates a signed agreement as one of the documents to be presented to support an application for consent. It was held that at the date of executing the mortgage or agreement, there was an implied term that it was made 'subject to Governor's consent' and so the mortgage was not void, but the rights of the parties was inchoate until Governor's consent is eventually obtained. The mortgage becomes complete and effective in law after Governor's consent is obtained.

Consequently, the mortgage documents and other securities held by banker were not void, but enforceable only subject to Governors consent.

This decision however overlooks the definition of mortgage in Section 50(1) of the Act where 'mortgage' includes a *second and subsequent mortgage and equitable mortgage.* Hence, an agreement to create a legal mortgage (i.e an equitable mortgage) seems to be caught by the requirement for consent. It therefore remains open to argument that such an agreement is actually void and not merely inchoate.

In the later case of International Textile Industries v Aderemi the Court rejected the argument that an agreement for sale of land created by part-performance through payment and delivery of possession was void. Following *Awojugbagbe's case,* it was held that an act of part-performance was merely a mode of entering into an agreement for the sale of land and so no consent was required at that stage. Consent was only required at the second stage of transfer/alienation of the right of occupancy. In essence the equitable doctrine of part-performance remains applicable to transactions under the Act and specific performance was still a remedy available to parties to a transaction.

In practice there is some difficulty with this approach because the Court will not grant specific performance to an agreement which is conditional upon the consent of a third party (the Governor) that is not compellable by the Court.

Access to Land

The Governor exercises it power to grant statutory rights of occupancy in urban areas through a Land Use Allocation Committee, members of which are appointed by him. The local Government grants a customary right of occupancy in non-urban areas essentially for agricultural purposes. Part III of the Act deals with rents, its provisions are dictated by the aim of ensuring land is not tied up for speculation purposes only but open for easy access to all Nigerians.

On paper the land allocation process looks good: Government acquires land from the land owning communities by paying compensation; it creates large residential, commercial and industrial layouts with basic infrastructure; plots are then allocated to citizens. This enables Government to guide town planning and secure land need for large public purpose projects.

In reality the process is grossly abused by the civil servants who operate it. Yes, common Nigerians do get allotted land, but too many plots acquired and developed with public funds are made available at less than its intrinsic value to Government functionaries' *cohorts*, political party stalwarts and the rich, who then turn around and speculate with it.

There are two issues I would like to touch upon. First is the issue of allocation of right of occupancy over land which was originally acquired by Government from the ordinary natives. How safe is such allocation from Government. In the past the such land was acquired under the Public Lands Acquisitions Act but this Act was repealed by the Land Use Act. After 1979 the Government can only acquire land compulsory under the provision of section 28 and 29 of the LUA. Inter alia the section empowers the Governor to revoke a right of occupancy for overriding public interest. Overriding public interest is defined in section 2 and 3 read in conjunction with section 51 (1) (h). However it is settled law that expropriatory statutes which encroach on a person proprietary rights must be construed fortissimo contra preferntes, that is strictly against the acquiring authority but sympathetically in favour of the citizen whose property rights are being deprived. Consequently, as against the acquiring authority, there must be strict adherence to the formalities prescribed for the acquisition.

So, can a Government acquire land of a citizen lay it into large Agric land estate and then sell or allocate to farmers? Is that overriding public interest under the LUA? First you need to be sure that the Government acquisition is not

liable to be set aside for irregularities and so invalid. The courts have answered this question in the affirmative under the old Lands Acquisitions Act. In Oviawe v I.R.P (Nig) Ltd the court applied the literal meaning of public purpose as defined by the Act. It held that public purpose include acquisition made for or in connection with housing estate, economic, industrial or agricultural development and for obtaining control over land required for or in connection with such purposes. the definition of 'public purpose' under the sec 51 of the LUA is imparimatiral and so there is a likelihood for the court to answer in like manner. But, there is a second school of thought that makes a distinction between land acquired for Governments requirement and use and land for the ultimate use of third parties. It is a moot point that the land acquired otherwise than for Government direct use is not overriding public purpose.

Furthermore in the event of revocation of a right of occupancy sec 29 of the LUA requires the Government to pay compensation for the unexhausted improvement on the land to the communities whose land has been acquired. Most time communal strife and agitation is due to the failure of government to pay compensation. Revocation of title over parcels of land should not be treated like a punitive measure.

In practice it is too often the case that, even if you do get good title from the Government you are unlikely to get peaceful possession unless you negotiate a financial settlement with the original owners of the land. In modern times, some Government has included the cost of this financial settlement as part of the allocation fee, but there remains the high risk that this payment will not be passed on to the intended recipient. The letter of allocation also does not identify the titles holders which is arguable the biggest risk in such allocation.

Federal Land

The Act provides that land which was *originally* vested in the Federal Government of Nigeria (FGN) is exempted from the application of the Act, hence the FGN retain the title which they held before the Act. Primarily these were lands originally vested in the crown which at independence devolved on the FGN. Nevertheless, the FGN and State Government, particularly in Lagos State continue to litigate over ownership of land. The FGN is also not immune from the Governor's discretion on land allocation and often times also face a herculean task securing in new land (required for public purpose) from Governors of a States controlled by an opposition party.

Foreign Ownership of Land

There is no specific provision which deals with allocation of land to foreign individuals. The law as stated in Ogunola v Eiyekole is that the Governor holds land under Section 1 for the benefit of Nigerians' only and as such there can be no direct ownership of land by foreigners. This position of the was recently affirmed in the

case of Gerhard huebner v Aeronautical Industrial Eng, where a foreigner had provided funds for the purchaser of land which was conveyed to the defendant company ostensibly to avoid the limitation of the law. Following a dispute the foreigner sought a declaration that the land was held on trust for him and at his direction to deal with same. The Supreme Court rejected this argument and reasoned that since the foreigner was no legal capacity to hold an interest in land, it follows *abi initio* he had no legal title which he could vest in the Company to create a trust. Furthermore the plaintiff relies on the equitable principle of trust and such he who seek equity must come with clean hands. By seeking to circumvent the application of the law the plaintiff was not entitled to equitable consideration.

This issue on first impression appears theoretical only, because in practice by incorporating a wholly owned Nigerian company, a foreigner through the company can gain easy access to land. But the Supreme Court gave no opinion as to the applicability of the Acquisition of Lands by Aliens Law (ALAL), a law which is enacted in most state of Nigeria. It appears this is an extant law in so far has it has not been expressly repealed by the Land Use Act and does not obviously conflict with any provisions of the Land Use Act. The ALAL prohibits a foreigner from acquiring any interest or right over land from a Nigerian (save with the prior approval of the Governor) and goes on to define a foreigner to include any company in which majority of the shares are held by foreigners.

Conclusion

Most Nigerians now agree that after 38 years it is time for a comprehensive review of the Land Use Act. The Act is enshrined within the constitution and as such any amendment will be subject to very stringent conditions. Consequently, the logical starting point for any extensive reform must be the deletion of the Act from the Constitution. Some of the areas and issues to be considered for amendment are highlighted below.

Remarkably there is a lack of legislation imposing a country wide registration of title that will guarantee the interest which a holder of land may possess and use for security. At the minimum there is a need for the Act to be amended to provide certainty of title to land and certainty as to the nature of legal right granted thereunder.

The status of a Certificate of Occupancy being merely a rebuttable evidence of title is unsatisfactory. While Certificates issued by the Committee allocation process is relatively safe from controversy, Certificates obtained by deemed grantees are still subject to challenge and not fortified by its issuance.

It is fair to say that instead of enforcing a unification of land tenure regimes, the Act has merely placed yet another layer of tenurial

regime on the existing tenures. There is no requirement on a deemed grantee of a right of occupancy to certify its prior existing right under the Act such that migration of plots held under the previous tenure to the Act is insignificant.

Furthermore, the objective of parity between a deemed grantee and a Certificate holder is largely defeated because conditions which govern a Certificate holder does not apply to a deemed grantee. This is exacerbated by the fact that the Act makes no provision for a renewal of a term granted, whereas the deemed grantee effectively holds a freehold.

The requirement for consent prior to alienation of the right or dealing (e.g as collateral) is unnecessarily bureaucratic and stifles commerce. The requirement ought to be removed as is not used for any used data collection, it is expensive and onerous. Most States Governments have converted the consent requirement solely as a source of additional revenue by imposing prohibitive charges. For instance in Lagos the official total cost of perfecting an instrument is on is 35% of property value; therefore most Nigerian's just don't bother with it.

As we have seen a holder of Certificate of Occupancy gains no proprietary interest in the land, his interest is limited to the improvement thereon. Consequently the intrinsic value of the land should not be reckoned when right of occupancy is used as collateral, but this is not so in reality where most times the value of land is multiple time the improvement thereon. It also means the banks are unwilling to accept bare land as security for loans.

The other problem with a right of occupancy is that it is easily revocable by the Governor and so not ideal as security for very large long term projects. This risk is real and ever present under Nigerian nascent democracy. One way of hedging this risk under a private public initiative is for the private partner to insist on power of attorney donated by the Governor in his favour to *stave off* the risk of revocation in the event of dispute with the Government. With regard to access to land it is suggested that the Land Use Allocation Committee be constituted by a process which safeguard the independence of the members.

The World Bank has consistently highlighted the fact that "a large share of property in the country is not formally registered (whilst) informal titles cannot be used as security for loans which limits financing opportunities for businesses" especially small and medium-size enterprises.

Clearly, if Nigeria is to harness its vast land resources and position itself for real growth and development, it is imperative that it finds the political will to sustain a comprehensive review of all land related laws and urgently embark upon a second round of effective land reforms.

Sahel Capital Partners To Invest In Coscharis Farm - FIKAYO OWOEYE

"The Federal Government has promised to ban the importation of rice into the country to boost local production of rice in the country."

Sahel Capital says it has concluded an agreement for a significant investment in Coscharis Farms Limited. According to a statement by Sahel Capital, the fund managers for the Fund for Agricultural Finance in Nigeria (FAFIN) noted that the investment in Coscharis Farms, which is currently developing a 2,500 hectare rice-cultivation venture with an irrigation system to enable multi-cycle rice cultivation and meet part of the estimated 5.9 million metric tons of annual rice demand in Nigeria.

To achieve this, the farm is in the process of installing a 40,000-metric-ton-per-year rice mill. Sahel Capital on its part said it plans to invest FAFIN over the next two years, backing sustainable businesses that seek to revolutionize the Nigerian agribusiness landscape while creating jobs, improving productivity, and strengthening priority value chains.

It also revealed that the African Development Bank, CDC Group, and the Dutch Good Growth Fund have jointly committed $31 million to FAFIN, joining existing co-sponsors of the fund to drive agricultural transformation in Nigeria.

The Coscharis Farm is located in Anambra State. The farm is currently growing on 2,500 hectares of land with an anticipated 5,000 hectares of the out-growers scheme in the first phase of the project implementation. The farm targets 20,000 metric tons of rice by the end 2018 and plans to expand cultivation to 10,000 hectares of land in the second phase of the project with a capacity to produce about 70,000 metric tons of rice.

Dr. Cosmas Maduka, President/CEO of Coscharis Group and Chairman of Coscharis Farms, expressed his delight with the new partnership with Sahel Capital noting that the group is not only an industry leader but also one that will also provide economic opportunities for smallholder farmers and young people in the country.

The Federal Government has promised to ban the importation of rice into the country to boost local production of rice in the country. To achieve self-sufficiency in rice production it has launched various programs aimed at encouraging local cultivation.

Sahel Capital is a private equity firm specializing in the agriculture, agribusiness, manufacturing, and consumer goods sectors. It invests in small- and medium-size enterprises (SMEs) with a focus on processors, logistics and storage, producers, and input providers, as well as a secondary focus on intermediaries that extend financing to agricultural SMEs and farmers.

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Porkmoney reveals huge Potential for Pig Farming in Nigeria, Ghana

With a growing population currently at 180 million from the 6.5 billion world population, indications has emerged that pig farming can relieve the nation on the unemployment pressure faced by Nigerians as well as other developing Africa countries Vanguard's findings show that, in 2017, South Africa exported 13,500 metric tonnes of pork, or 5.5 percent of its total production, mostly to neighboring countries such as Namibia, Mozambique, Lesotho and Swaziland. Statistic also revealed that, Pork is the widely eaten meat in the world, accounting for over 40 percent of the world's meat consumption, with high level of protein, essential vitamins, minerals, amino acid and is good for overall health.

The Founder and Chief Executive Officer, CEO, PorkMoney initiative, Folorunso Muyiwa will partner with stakeholders who share in the ideals of pig farming on the 4th of June 2018, to disclose massive potentials available for the nation. PorkMoney, is an initiative that offers partners the opportunity to delve into pig farming that yield profits up to 35 percent in 11 months depending on the plan subscribed to.

In what can be categorized as a "Good deal"! It is also a pig farm that have been designed with the most amazing framework for stakeholders to enjoy a stress free business that has a guaranteed Money Back proposition and would see profits maximized. In a statement made available to Vanguard, Muyiwa said: "These impressive stats have nudged Pork Money to begin the Pork revolution in Western Africa, since Ghana and Nigeria are the largest consumers of Pork. "

Considering the health benefits of pork and the statistical revelation that point towards the viability of pig farming, the PorkMoney initiative came into being. PorkMoney has also partnered with Pig farmers and multiple Pig farms for Ghanaians whose teeming interest in Pig farming is overwhelming.

"Ghanaian actor and business man, John Dumelo has partnered with PorkMoney – a practical and beneficial collaboration because the company will run its operations in both Ghana and Nigeria, which happen to be the largest consumers of Pork in Africa.

"Apart from the health benefits, Pigs are not fussy eaters, they can and will eat almost anything you offer them, from waste garden plants to corn, and can graze. Grazing is typically controlled, they usually respect fences, so breeders generally do not have to build a very stout, high, or solid wall to keep them confined. Also, some pork parts like that of tenderloin, loin chops and sirloin roast made from the lean cuts are more healthy than chicken."

Muyiwa's experience spans over a decade of branding and marketing in e-commerce, transportation and Real Estate; His goal at Pig farming involves the raising and breeding of pigs majorly for food, with an objective aimed at satisfying PorkMoney's partners, breathing a new life into Pig farming in West Africa.

Synergos, Technoserve Develop Crop Calendar For Farmers' Productivity, Income

Synergos Nigeria, an agriculture transformation support group, in collaboration with Technoserve Nigeria has developed crop calendar to save cost, reduce farm activities and increase production and profit margin for farmers for farmers.

The crop calendar is a tool support for farmers and agriculture extension workers across the world. Adewale Ajayi, Synergos' country director at the crop calendar validation workshop for participants said the initiative was informed by the need to provide solid base for emergency planning for the rehabilitation of farming system after any disaster.

Crop calendar is helpful to farmers in knowing how to plan their farming season right from land preparation through crop establishment and maintenance to harvest and storage, according to him.

"It provides timely information about seeds to promote local crop production, which contains information on planting, sowing and harvesting periods of locally adapted crops in specific agro-ecological zones. It will help in preparing all the raw materials needed, determine the budget for the crop, plan the labour required and organise workers for land preparation, planting and harvesting.

We are at the time where we have to use our ingenuity, knowledge and understanding to manage the technology available to provide solution and increase our productivity," he said. He commended the participants for subscribing to the initiative, saying the attendance indicated an improvement to bridge the gap of neglect and do what is right to promote Agriculture in Nigeria.

He added that as part of that States Partnership for Agriculture (SPA) planned efforts to promote agriculture, the group called Hackthon to use digital technology to begin to capture information such as this.

He said that the group was not going to stop as long as it has the resource to support all

those people finding solution to change the nature of Nigeria Agriculture from subsistence into business orientation.

Tarfa Bitrus, a professor at Ahmadu Bello University, Zaria, said the crop calendar development for some comparative crops in the selected states like Benue, Kogi and Kaduna States would help boost productivity in those states.

Bitrus said that the main focus of the workshop was to come up with proper site and specific crop calendar for these crops in the specific states, according to their comparative advantage.

"The essence of crop calendar is to be able to bring stakeholders together around the activities of value chain of selected crops. So that each stakeholder will know the right time and the period whereby their own intervention or interest along the value chain will be much needed," he said.

He noted that the other objective was to align federal and state ministries efforts with the cropping activities of the particular crop of their interest.

According to him, the government also needs to develop some policy that will fit into the calendar for the various chains of the crop, so that the stakeholders surrounding the crop or commodity will participate effectively. The don urged all the stakeholders to come together and make is sustainable.

Bitru said some of the essential messages in the crop calendar for farmers would be to know the best period to plant, apply fertilizer, managing the weed, harvesting, processing and some other salient agronomy practices.

Brazil to inject $1.1bn into Nigerian Agriculture

The Brazilian Ambassador to Nigeria, Ricardo Guerra de Araujo, says Brazil will soon inject 1.1 billion dollars into Nigeria's agriculture.

The envoy said on Thursday night in an interview with News Agency of Nigeria (NAN) in Abuja that an agreement between Brazil and Nigeria on that would be concluded by the end of October.

The ambassador was speaking at a dinner to sensitize Nigerians to an agriculture programme – Agritech Nigeria – organized by the Osun Government. According to him, Brazil will help to transform Nigeria's agriculture with the fund by establishing a Tractor assembly plant in Bauchi State.

He said that sustainable use of tractors and modern technology for farming in Nigeria would boost productivity. He added that mechanised agriculture would enhance value addition, food systems development and other opportunities for farmers.

The ambassador told NAN that mechanisation of agriculture would reduce hard labour and labour shortages and improve timeliness of agriculture operations. According to him, it will also improve efficiency in the use of resources, enhance market access and help in mitigating climate-related hazards.

"It will also keep the youth busy because they will be employed, and create development in the area where the plant is established," he said. He said that the package proposed by Nigeria's Ministry of Agriculture and Rural Development would move Nigeria's agriculture sector forward.

The ambassador said the financing would be done by the Brazilian Exim-Bank would come in three phases while the Central Bank of Nigeria would make available concessional resources through local banks.

According to the envoy, the proposed term of financing is 13 years including 10 years of repayment and two years of grace.

The ambassador said that under the project, Brazil would bring agriculture equipment which would create more jobs for the Nigerian youth and stabilise the agriculture sector.

NAN reports that bilateral relations between Nigeria, the most populous nation in Africa, and Brazil, the largest country in Latin America, dates back to 18th century.

Declining Local Production. Nigerian Wheat import jumps 31%

Wheat imports by Nigeria, Africa's most populous nation, rose 31 percent in the second quarter on increased demand amid declining local production, according to official data.

The West African country imported 1.36 million metric tons of wheat between April and June compared with 1.04 million tons in the first three months of the year, port data published by the National Bureau of Statistics show. The orders from the U.S., Russia, Canada and Germany cost 114.8 billion naira ($315.7 million) compared with 87.4 billion naira in the first quarter. Output by local wheat farmers is constrained by the "high" cost of inputs such as fertilizer and lack of access to storage facilities, Salim Mohammed, president of the Wheat Growers Association of Nigeria, said in a phone interview from the northern city of Kano.

"There has been little or no support to the farmers who are growing the crop," he said.

Nigeria, the world's number 10 buyer of wheat, spent $4.4 billion on imports last year and plans to cut shipments 60 percent by 2025, according to the agriculture ministry. Most of the wheat is milled into flour for bakeries or used to produce pasta and other wheat-based foods.

Nigeria's wheat production stood at 60,000 tons at the end of the 2016-17 season, according to data from the U.S. Department of Agriculture. The U.S. is the biggest exporter of the grain to Nigeria, with 3.3 million tons arriving in 2017, followed by Russia with 1.7 million tons, according to Nigeria's agriculture ministry.

Nigeria's wheat is grown mainly in irrigated farms in the northern region's cool, dry season from November to April. New varieties that also thrive in the wet season planted in the country's central plains were affected adversely by widespread flooding this year, farmers said.

Nigeria-based International center wins 2018 Africa Food Prize

"The $100,000-prize celebrates Africans who are taking control of Africa's agriculture agenda."

The Ibadan-based International Institute of Tropical Agriculture (IITA) is this year's recipient of the Africa Food Prize. The award is given out by the Alliance for a Green Revolution in Africa (AGRA) and was announced during the award ceremony at the African Green Revolution Forum (AGRF) Gala Dinner in September in Kigali, Rwanda.

The award recognizes individuals and institutions "leading the effort to change the reality of farming in Africa – from a struggle to survive to a business that thrives." According to the AGRF website, the $100,000-prize "celebrates Africans who are taking control of Africa's agriculture agenda.

It puts a spotlight on bold initiatives and technical innovations that can be replicated across the continent to create a new era of food security and economic opportunity for all Africans."

Recent awardees include former International Fund for Agricultural Development (IFAD) President Kanayo Nwanze (2016); entrepreneur, founder, and owner of the Faso Kaba Sarl company, Mrs Maimouna Sidibe Coulibaly from Mali; and Professor Ruth Oniang'o, a leading academic expert in food security and nutrition from Kenya (2017).

The Africa Food Prize began as the Yara Prize and was established in 2005 by Yara International ASA in Norway to honor achievements in African agriculture. The Yara Prize was moved to Africa in 2016 and renamed the Africa Food Prize.

This year's award honors the achievements of IITA, which celebrated its 50th year of service to African agriculture and smallholder farmers in 2017. The Institute was established in 1967 as the first African link in a network of international agricultural research centers to contribute towards global food and nutrition security. It was created based on the need to have an African version of the Green Revolution that transformed Asia through increased agricultural production in the 1960s.

IITA is supported by numerous donors,

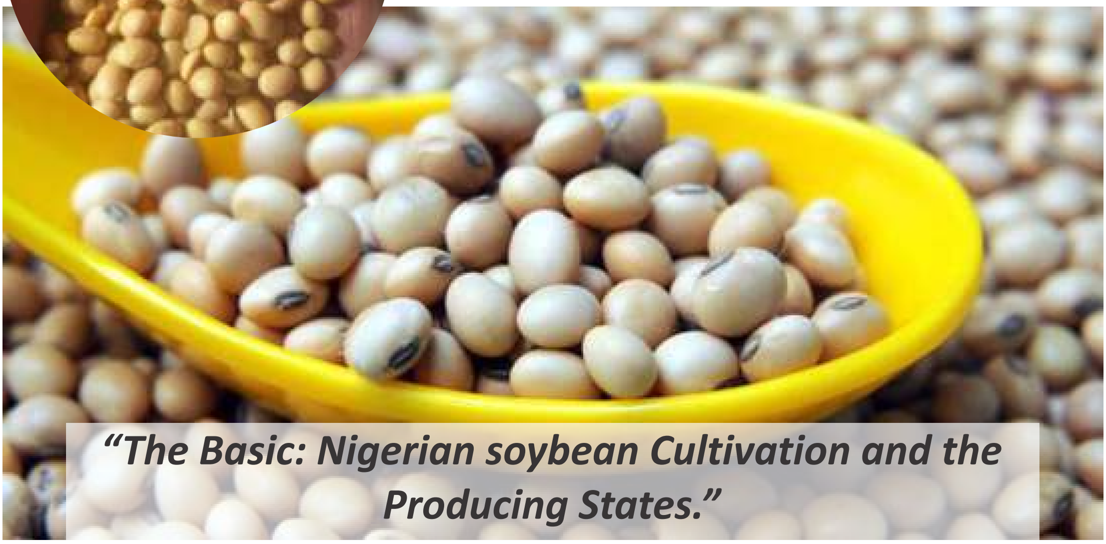
governments, and partners, and focuses on increasing food security and availability, enhancing the profitability of foods, feeds, and other agricultural products, and sustainable management of natural resources. Its research looks at improving crops, making healthy crops, managing natural resources, improving livelihoods, and enhancing nutrition.

IITA has become the largest international agriculture research center in tropical Africa, contributing to food and nutrition security in the region.

Katherine Lopez is the Head of Communications at the International Institute of Tropical Agriculture (IITA), a member of CGIAR, a global agriculture research partnership for a food secure future.

Katherine Lopez

Nigerian Soyabean (Soyabean) Cultivation and the Producing States



Nigeria is the largest producer of soybeans in West Africa. Its major producing states are Kaduna, Niger, Kebbi, Nasarawa, Kwara, Oyo, Jigawa, Taraba, Borno, Benue, Bauchi, Lagos, Sokoto, Plateau, Zamfara, and Abuja FCT.

The soybean, or soya bean, is also called Glycine max. It is among the legume species and is widely grown for its edible bean, which has numerous uses. In Nigeria, it grows mainly in the middle belt, which accounts for 65% – 75% of the production in Nigeria.

Soybeans are grown from seeds planted in rows in a field and can grow well in a wide variety of soils and climates. It takes about four to seven days after planting to start growing and about 90 to 150 days after sowing to mature.

The pod of a soybean is usually green but turns yellowish brown when mature with the bean being hard and dry. There are other varieties of soybeans that are black-, brown-, or green-coloured, although these varieties are rare.

After soybeans are harvested, they are separated into pods and stems and can either be processed further or sold. The pod contains the soybean, from which soybean oil can be made, which is done by cracking the soybean and subjecting it to heat at about 60°C – 88°C.

A solvent, mainly hexane, is added to extract the oil, leaving behind the soybean cake. The oil is then refined, blended, bleached and, in some cases, hydrogenated. It can serve as a vegetable oil or as a biodiesel fuel when further processed.

The soybean is among the world's healthiest foods and has numerous health benefits

- It contains vitamins and minerals, such as vitamin B, and is also a good source of protein, iron, and calcium.
- It helps in cancer prevention due to the presence of isoflavone, which can increase the activity of p53, a tumor suppressor that can send signals to cause cell death (apoptosis) in cancer cells, stopping the growth of cancer and

the formation of tumors.

- It helps in the reduction of hot-flash symptoms as experienced mainly by women in their menopause and perimenopause stages.
- It aids in the prevention of type 2 diabetes and other chronic health issues by reducing the resistance of insulin in the body and at the same time increasing the synthesis of insulin receptors.
- It helps in suppressing appetite, which can lead to healthy weight loss – but it also helps with healthy weight gain because of its fiber and protein content.
- It is also good for the heart, digestive system, and bones, and in controlling thyroid hormone when the thyroid becomes enlarged.

The nutritional content of the soybean includes molybdenum, copper, manganese, phosphorus, iron, omega-3 fatty acids, dietary fiber, vitamin B2, magnesium, vitamin K and potassium, proteins, peptides, and phytonutrients. The soybean is used for industrial purposes such as in ink, paint, and solvents manufacturing.

The cake is used for livestock feeding. The soybean, without being processed, can be used in making soymilk, which is one of the most popular drinks in Nigeria and other African countries.

Note: This article was originally published by FineLib.com.

Nigeria: Tackling Food Insecurity amid Economic Turbulence

Olawale Rotimi Opeyemi

"Since Nigerian land is arable and the nation has a good farming population, investment in the agricultural sector must be taken seriously."

Despite an abundance of cultivatable land, good rainfall, sunlight and fair weather, high population strength, and millions of dollars devoted to various agricultural schemes in Nigeria over the years, food insecurity remains a major battle to win.

The discovery of oil led to a dramatic shift from agriculture in Nigeria – agricultural productivity dropped significantly following the oil boom during the 80s and into the 90s. Nigeria, which formerly exported palm oil among other agricultural products to other continents, started relying on the import of food items she can produce.

Though global food commodity prices rose 4.2% in June of 2016, their steepest monthly increase of the previous four years according to the United Nations Food and Agriculture Organization, food insecurity in Nigeria continues to be caused by political instability, insecurity, a speedily growing population, flooding and drought, rural-urban migration, a lack of funding for farmers, economic instability, and ethnic and religious rivalry.

However, agriculture, if done right, can provide food for all Nigerians and create decent jobs and incomes while ensuring rural development and environmental preservation.

Globally, of the one in nine people in the world today who are undernourished (795 million), the vast majority of world's hungry people live in developing countries where at least 12.9% are malnourished. While 23 million primary-school-age children attend classes hungry in Africa alone, one of every two deaths among children in Nigeria is from malnutrition,

with more than 1,200 children dying daily as reported by the Head of Nutrition at Nigeria's Federal Ministry of Health. Food insecurity is a major cause of malnutrition.

As defined by the United Nations World Food Programme, people are considered food insecure when there is no "availability and adequate access at all times to sufficient, safe, nutritious food to maintain a healthy and active life." Following the definition, as reported by TheCable, a prominent Nigerian online newspaper, a survey assessing the socio-economic state of Nigerian households conducted by Philips Consulting between May and June 2016 revealed that 51% of Nigeria's 183 million people (i.e., 93 million Nigerians) lack access to adequate, sufficient, safe and nutritious food to maintain a healthy and active life.

The survey conveyed the strong link between unemployment and food insecurity in Nigeria: About 40% of employed respondents in the survey had never experienced food insecurity compared to 20% of unemployed and 28% of self-employed respondents. Due to a lack of financial inflow, unemployed people are more vulnerable to food insecurity. In 2016, following economic turbulence in Nigeria, many businesses closed down, while others laid off employees by the hundreds.

In 2016, unemployment in Nigeria increased significantly, up from 10.4% in the last quarter of 2015. Nigeria's unemployment rate stood at 12.1% at the end of the first quarter of 2016, the highest since December 2009. The National Bureau of Statistics reported that 518,000 Nigerians became unemployed within three months in 2016.

As Nigeria's population grows exponentially with no sign of relenting and the economy is faced with more turbulence, millions of Nigerians are faced with serious food insecurity. The surge in cost of food items has made it more difficult for unemployed and underemployed Nigerians to access food needed for healthy living.

While the population keeps growing speedily and economic crisis remains prevalent, Nigeria must tackle food insecurity, which can be described as "time bomb" before it explodes. Aside from the fact that people facing food insecurity may die of hunger and live in unhealthy conditions, hunger may equally lead to anger-motivated vices in the society. Even though the government has had a major role to play in this over the years, indications show the need for strong and purposeful collaboration between the government and the private sector in solving this major issue in the nearest future.

Since Nigerian land is arable and the nation has a good farming population, investment in the agricultural sector must be taken seriously in order to cut food importation and boost local production. Nigeria spends $11 billion on food importation annually. If invested into the nation's agricultural sector, this would increase productivity and make food available to millions of Nigerians at lower prices.

Thousands of Nigerian farmers are small landholders; they are unable to increase production due to a lack of access to finance, capacity building training, and modern trends in farming. Worldwide, 500 million small farms provide up to 80% of food consumed in a large part of the developing world. This implies that increased investment in smallholder farmers would increase agricultural productivity in Nigeria. This value chain is important to make an adequate food supply available in local markets. Engaging women farmers is also key – giving them access to finance and training would reduce food insecurity in Nigeria drastically.

Apparently, with shrinking oil revenue, which has weakened Nigeria's economic strength, deliberate and purposeful investment in the agriculture sector offers a key solution for development, and it is vital for hunger and poverty eradication in the nation and beyond.

Note: This article was originally published by Abusidiqu.com.

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Vegetable Boxes

Dimension: 590x390x200(mm)
Capacity: 15-20 kg

Stack of boxes

Repositioning Nigeria's Cocoa Export For Global Competitiveness

Joe Itah
Head Corporate Communications NEPC, HQ Abuja

That the world economy is driven by knowledge and technology with some developed countries of the world running trillion dollar economies lends credence to the fact that Nigeria more than ever before needs to diversify its economy from dependent on oil to non-oil.

This is more so, when one juxtaposes our economy with that of countries like India, Malaysia, Singapore and lately United Arab Emirates (UAE) just to mention a few, that have repositioned their economies using the non-oil platform complemented with cutting-edge technology to become economic giants competing in global business and trade.

It is therefore cheery to note that given the fragile nature of the economy, no thanks to dwindling oil revenues, among other

infrastructural constraints, the present administration have put in place measures that would help stimulate massive diversification of the economy through agriculture and solid minerals development.

As the Nigerian Export Promotion Council (NEPC), an' agency of the Federal Government saddled with the development and promotion of non-oil exports, continues to drive the diversification process, effort to reposition the country's Cocoa export with a view to increasing production and meeting the requisite internationally accepted standards for export into European Union and the US is gradually yielding result.

Only recently, the commodity which is also one of the 13 National Strategic Export Products (NSEP) of the Federal Government of Nigeria and very prominent in the NEPC's Zero Oil Plan initiative has now been integrated into Government's Economic Recovery and Growth Plan [ERGP), 2017-2020.

Presently, cocoa is the leading major agricultural export of Nigeria. However, the country is losing its global ranking, due to poor production practices and non-compliance to Importing Countries' Requirements among others.

As at 2015, while Cote D'Ivore and Ghana boast of production level of about 1.7 million metric tons and 800,000 metric tons, respectively, Nigeria's production still hovers around 220,000 to 250,000 metric tons, yearly.

It is estimated that by year 2019, the global cocoa market will be worth $2.1 billion and Chocolate market $131.7 billion. The question then is how do we reposition the Nigerian cocoa industry to reap the huge benefits in the global market?

With his untiring resolve to grow the sector, the Executive Director/CEO of NEPC, Olusegun Awolowo, initiated the Zero Oil Plan (ZOP) thereby providing a platform for the Council to address the slide of Nigeria in the global cocoa trade among other exportable products. This led to its collaboration with the Centre for Promotion of Imports from Developing Countries to Europe (CBI) in Netherlands to train some cocoa exporters and provide direct access to the EU market.

S/N	BUYER'S REQUIREMENT	COMPONENTS
1.	Legal and Non-Legal	• Food safety and hygiene • Food contaminants • Consumer labeling
2.	Additional Requirements	• Food safety certification: processors (HACCP) and producers (Global GAO) • Corporate Social Responsibility • Sustainability certification
3.	Niche Market Requirements	• Fair-trade • Rainforest • UTZ

Furthermore, to gain access to the premium USA cocoa market f MBA students of University of California at Los Angeles (UCLA) USA, to understudy the demand and supply situation of Nigeria Cocoa in the US market.

The outcome of this collaboration and research is the need for Nigeria to increase its cocoa production as well as improve its quality to conform to global market requirements. Furthermore, there is the need to address the issue of low quality and poor packaging in order to have access to cocoa import markets.

In a bid to address some of these identified constructions in Cocoa Value China, Value Chain, the Council organized a Capacity Building Program for farmers, merchants and exporters as part of collaborative effort with the Cocoa Association of Nigeria (CAN), to acquaint them with current quality trends and issues that, conforms to buyers' requirement in the European and USA cocoa markets.

Besides, the forum provided stakeholders with a global outlook for Nigerian cocoa with specific focus on the international market requirements and appropriate pricing templates.

- The objective of the capacity building programme which was held in Ikom, Cross Rivers State and Umuahia in Abia State, respectively, was among others to
- Avail the practitioners with the international buyer's requirement for cocoa beans and cocoa products, which are classified into three (3):

It is however disheartening to note that Cocoa which has remained Nigeria's leading non- oil export product, contributing about 36% of non-oil exports, has continued to record a decline due largely to quality issues therefore reducing Nigeria's stake and share, globally.

Activities anchored on best practices across the cocoa value chain will ensure that the Council's Zero-Oil Plan initiative in which cocoa occupies a leading position is poised to reposition the Nigerian cocoa sector globally.

Interview
with
Onyeka Akumah

farmcrowdy

Onyeka Akumah is co-founder and chief executive officer of Farmcrowdy, Nigeria's first and leading digital agriculture platform that helps Nigerians, through crowd-funding and mentorship, to go into and also sponsor agriculture.

Launched about a year ago, Farmcrowdy is the only African start-up from the 2017 class of Techstars Atlanta, a worldwide network dedicated to helping entrepreneurs succeed.

Farmcrowdy connects small-scale farmers with sponsors, who invest in farm cycles. The company has so far recorded about 1,000 unique farm sponsors from Nigerians in Nigeria, the United States, and United Kingdom. Akumah, a serial entrepreneur, speaks on how his latest agritech brainchild is incentivising and revolutionising agriculture, in this interview with Vincent Obia. Excerpts:

Farmcrowdy is described as Nigeria's first digital agriculture platform. Where did you get the inspiration for this project?

The inspiration for Farmcrowdy came sometime in February 2015, following a challenge I had witnessed first-hand. At the time, there were on-going conversations around how to reliably channel resources into agriculture and the government had also urged individuals to put resources into this sector as a means of improving food production and security.

Participating in agriculture seems to come naturally to a lot of Nigerians, particularly on a small-scale basis, but the question we had to answer was, "How do we channel our resources into agribusiness in a sustainable way that would both create the opportunity to earn a decent return while impacting positively in the lives of over 38 million small-scale farmers in Nigeria?"

We are the only ones who can solve the challenges of food security in our nation, but how does the average middle-income person invest the resources he has in agriculture, although he/she does not have any prior experience in farming? Even if one might know of a few farmers to partner with, how are we sure of making profit at the end of the day? These were some of the realities that confronted us.

On the other hand, Nigeria has many small-scale farmers who live in rural areas and farm about 2.5 – 7.5 acres of farmland. A typical issue they confront is having the funds to grow their farm operations from subsistence to commercial farming.

Also, some small-scale farmers have difficulty using smart farming methods and getting to the right market for their farm produce to make a decent profit.

Looking for the solutions to all the questions we asked ourselves led to the idea of Farmcrowdy – an online platform that connects small-scale farmers with farm sponsors who will fund their farms to increase their production capacity through the guidance of our technical field experts to grow their production.

Then, prior to harvest, we get pre-arranged buyers to purchase the farm produce so that we can sell for a decent margin to all stakeholders involved.

How would you evaluate your acceptance by Nigerian farmers, your market penetration, generally, since the over one year of your launch?

So far, we have managed to establish presence in eight out of 36 states in Nigeria since we launched about one year ago. We have also been able to work with about 2, 000 farmers in rural farming communities.

Whenever we enter a new farming community we meet community leaders and through them, engage a select few farmers to work with us, initially. This first set of farmers then serves as our ambassadors, especially, because they end up doing better by working with us – this tends to encourage other farmers to sign up to Farmcrowdy.

How are you affected by the low level of digital penetration in Nigeria, especially, among the rural dwellers, which largely form your target market?

In addition to impacting the lives of rural farmers by providing resources for them to farm successfully, we educate and train our farmers on basic skills and modern farming techniques relevant to their practice. Although digital penetration among rural farmers is still low, we serve as a bridge between them and the farm sponsors.

Our Technical Field Specialists, who are always on ground at our various farm locations, achieve this by constantly informing and educating them on trends in the agriculture space, innovations in farming techniques, best practices in their farm processes, etc. By doing this, we enable them to maximise the value they get out of their produce and farmlands.

So, rather than be affected by the low level of penetration, we are happy to introduce innovations to them.

Who provides the land for the farms?

When we identify communities we can work with to improve food productivity, we meet with the community leaders who help us identify the right farmlands and farmers to work with.

So, essentially, the land is provided by the farming community and at the end of the farming cycle, the farmers continue to own their farmland.

In your profit sharing arrangement, the sponsor gets their original sponsorship, before profit sharing, plus 40% of the profit from the harvest, the farmer receives 40% of the profit, and Farmcrowdy receives 20% of the profit. Don't you think this arrangement exerts a lot of pressure on the farmers, leaving them in a situation where they only manage to squeeze through?

To explain the model, let us assume we meet a farmer who has the capacity to grow 5,000 chickens per cycle, but has consistently grown only 1,000 chickens because this is where all his resources can take him.

What we do in Farmcrowdy is to engage the farmer on the 4,000 extra slots, then provide these online for sponsors to partner with the farmer. At the end of the farming cycle, the 40% of the profit on 4,000 chickens goes back to the farmer as against what he or she would have made with 1,000 chickens without Farmcrowdy.

In addition to this, we provide technical field specialists to train the farmer on growing their capacity and then provide the market for them to sell their harvest at the end of the cycle.

This speaks to why 2,000 farmers have worked with us in our first year, recommended other farmers to join us, and 80% are looking to start off with us in 2018. We can say that our profit sharing formula does not exert pressure on our farmers. Instead, Farmcrowdy is a welcome development that helps them actively stay in business.

You recently announced the receipt of $1 million seed funding from foreign and local investors. Are governmental institutions at federal and state levels part of the investors?

Government institutions have provided indirect policy and infrastructural support but we have not received any direct investment from any government institution or parastatal. That said, we must applaud the effort of the government to continue to educate the public about the potential agriculture presents for Nigeria; as this becomes the foundation for getting people involved with our work and our farmers.

What is your relationship with the Federal Ministry of Agriculture?

As mentioned earlier, the government of Nigeria and the Federal Ministry of Agriculture, in particular, is one that we admire for the great work they are putting into agriculture and rural development, as well as the support of agricultural innovations across the country.

Our relationship with them is one of respect and admiration for the institution, and we hope that they can work at improving the regulatory policies and infrastructure guiding the Nigeria agriculture sector.

Recently, I was inducted into the e-Agric Initiative at the Federal Ministry of Agriculture to continue providing support and knowledge about the use of technology to foster agriculture developments in Nigeria. We look forward to continuing doing more with every opportunity the ministry presents.

Do you have raw material supply arrangements with foreign or local companies?

We have partners that supply us with seeds, chicks, fertilizer, vaccines and other relevant farm input. Depending on the state, we work in per term; and do our best to get the best farm input from partners that have a track record of professionalism in service delivery.

What are your plans for expansion going forward?

In 2018, we have ambitions to surpass our current achievements. We were able to penetrate eight states last year, but this year, we intend to be present in 18 states in Nigeria and impact the lives of 4,000 rural farmers directly.

We also intend to expand beyond the shores of Nigeria to other parts of Africa very soon as we keep growing this community model where Nigerians sponsor Nigerian farmers to grow Nigerian food for Nigerians to eat.

We intend taking it to Ghana, Kenya, Rwanda and basically, any country where the necessary structure to support small-scale farming is lacking.

This becomes an opportunity for us and the addressable market is vast.

Maize production and prospect in Oyo State Nigeria

ISAAC. O. OYEWO

Introduction

The Nigerian agricultural sector is currently dominated by smallholder farmers with farm holdings of 1 – 2 hectares. Farm holdings in Nigeria are divided into three categories, namely: smallholders, making up 81% (0.1 – 4.99 hectares), medium-holder, making up 14% (5.00 – 9.99 hectares), and large-holders making up 5% (10 and above hectares) (Okunade, *et al*., 2014).

The majority of the farmers are involved in several kinds of crop production, including yam, cassava, cocoa, cowpea, sorghum, and maize. In many western countries, such as the United States, and in Nigeria, maize is used mainly for industrial products, for manufacturing of animal feeds or as livestock feeds and for processing into other derivatives. Malt beverages (alcoholic and non alcoholic), ethanol (biomass fuel), corn syrup, flour, maize powder, plastic and fabrics are made from corn stocks in addition to food items such as popcorn, roasted corn, pap, and starch.

Regardless of the way in which it is used, maize is the most important cereal crop in Africa with rice and wheat, which make up the three most important cereal crops in the world. Maize is one of the major staples produced and consumed by the average Nigerian smallholder farmer. Projections by the Food and Agriculture Organization (FAO) of the United Nations suggest that cereal demand will increase by almost 50% by 2050 (FAO, 2003). In Nigeria in 2016, maize area harvested was 6,544,248 hectares, while maize production was 10,414,012 tonnes in 2016.

There has been a growing gap between the demand for maize and its supply. This necessitated the federal government of Nigeria some years back to initiate a program of doubling maize production in Nigeria through the promotion of improved production technologies such as fertilizer, hybrid seeds, pesticides, herbicides, and better management practices. Maize is very simple to cultivate and easy to maintain, with low capital requirements, compared to other cereal crops. Maize matures fast; within 2 – 5 months of planting it is ready for harvest, depending on the stages of harvesting.

Maize grows in a wide range of soil types – almost every part of Nigeria can grow maize. With the use of hybrid maize and mechanized systems of farming, yields for maize can reach up to 10.2 tonnes per hectare, with a traditional African type of cultivation, production is estimated to be 2 tonnes per hectare with the use of hybrid maize varieties to improve yield, such as Yellow Open Pollinated Varieties; Western Yellow 1: TZSR-Y-1 (Streak Resistant); DMR-LSRY (Downy Mildew & Streak Resistant); Yellow Hybrids Varieties (8425-8; 8329-15); White, Open Pollinated Varieties: TZPB (FARZ 27), TZB (FARZ 34), TZSR-W-1; ZPBSR (Streak Resistant); DMR-LSRW (Downy Mildew & Streak Resistant); DMR-LSRW (Downy Mildew & Streak Resistant); and White Hybrids: 8321-18, 9022-19 (Striga Resistant).

Maize production in Oyo State is characterized by an aging workforce. The majority of the maize farmers are between the ages of 51 and 60, with a mean age of 51 years, dominated by males cultivating small-scale farms sized between 0.1 and 5.0 hectares, with a mean household size of 6 persons dependant on a local manual mode of cultivation, rain-fed farming, and credit through cooperative and personal contributions; about 85% of them have one form of formal educational status. However, other programmes aimed at increasing maize and agricultural productivity have been initiated.

For food production to keep pace with population growth, there is a need to invest in more efforts to increase yields, continued expansion of cropland by conversion of natural habitats, or by optimizing food production. The increase in demand must be met by increasing the productivity of maize per unit of land.

Abebaw and Belay (2001) stated that, to a great extent, climate and soil resources determine the output of maize and other crops,

as the seasonality of the climate, that is, the alternating of the rainy season with the dry season, affects the production of maize directly and indirectly. Although weather and soil conditions affect maize production in Nigeria, other countries in the world experience the same and even worse conditions, and yet they produce enough maize for both human and industrial consumption. Small-scale farmers continue to use traditionally unproductive methods that result in low productivity and high post-harvest loses.

The available studies on the productivity gains in maize production in Nigeria suggest little improvement in productivity, and the goal of self-sufficiency in food production remains a long-term target (Oluwatayo *et al*., 2008; Oyewo *et al*., 2009). Among the reasons often attributed to a decline in productivity of maize in Oyo State are weather, land tenure, transportation, diseases, and depletion in soil fertility primarily resulting from poor production practices characterized by low use of modern inputs, among others.

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We believe that Nigeria's industrialization and poverty reduction will come from the sector that currently provides the highest means of livelihood.

Understanding the role and policies of the Federal Government within the Agriculture space

Below is a brief outline of key policies for transformation and success by the Federal Ministry of Agriculture and Rural Development (FMARD), including Fiscal Policies, Domestic Content for Food (Enabling Legislations), Industrial Policy, Financial Service Policies, and Agricultural Policies.

Also included in this overview, are brief descriptions of Staple Crop Processing Zones (SCPZ), the Nigeria Incentive-Based Risk-Sharing System for Agricultural Lending (NIRSAL), and the Growth Enhancement Support Scheme (GESS).

Fiscal Policies include

- Zero tariffs (custom, excise and value added) for import of agricultural equipment and agro-processing equipment.
- Tax holidays for investors putting processing plants in staple crop processing zones.
- Increased tariff on any commodity that Nigeria can produce (rice, starch, sugar, wheat, etc.), to promote domestic production and local content.
- Adjusting the current policy on import levy of 5% for brown rice and 30% for polished milled rice, and 5% on raw sugar and 10% on starches, which should be increased and revenue used to support domestic production.
- Supportive incentives for investors for blending plants for ethanol.

- **Domestic Content for Food (Enabling Legislations)**
- 10% Cassava flour substitution for bread wheat flour.
- Blending 10% ethanol with petrol.

Industrial Policies include gradually moving away from fertilizer consumption subsidies to support local fertilizer manufacturing leveraging the gas industrialization policy (e.g., Nagarjuna 1.4 MT plant).

Financial Service Policies include incentives for access of farmers to weather index

insurance; and removal of the current monopoly on agricultural insurance by the National Agricultural Insurance Company and liberalization to allow private sector insurance companies.

- Agricultural Policies aim to liberalize foundation seed policy to allow the private sector to commercialize seeds; eliminate government distribution of fertilizers and replace with private-sector distribution; and move away from a flat fertilizer price subsidy to targeted support to smallholder farmers. Other policies include:
- Developing incentives to engage young commercial farmers for farming as a business.
- Development of Agribusiness Entrepreneurship Centers and farm skill acquisition centers.
- Providing access to land and finance.
- Creating institutions to support the agricultural transformation agenda.
- Promoting Marketing Corporations to replace marketing boards.
- Transforming the Agricultural Research Council of Nigeria (ARCN) to a National Agricultural Transformation Agency like EMPRAPA that transformed Brazilian agriculture.
- Achieving a guaranteed minimum price for food crops to stabilize prices.
- Revising the Land Use Act to enable easier access to land for investors.
- Rapid expansion in irrigation facilities and revamping of existing ones.

Staple Crop Processing Zones (SCPZ) focus on attracting private-sector agribusinesses to set up processing plants in zones of high food production, to process commodities into food products.

- The government will enable this by putting in place appropriate fiscal, investment, and infrastructure policies for Staple Crops Processing Zones, including:
- Tax breaks on import of agricultural processing equipment.
- Tax holidays for food processors that locate in these zones.
- Supportive infrastructure, especially complementary investment by the government in roads, logistics, storage facilities, and power.
- Infrastructure that would focus on power, irrigation, flood control, roads, rail, air, etc.
- Staple Crop Processing Zones to link farmers in clusters to food manufacturing plants.
- Developing an Agricultural Investment Code, in partnership with Ministry of Finance

and Ministry of Trade and Investment and CBN.

- The location of Staple Crop Processing Zones dependent on a combination of state government support and an analysis of the comparative advantage of the region to produce the identified commodity.

The Nigeria Incentive-Based Risk-Sharing System for Agricultural Lending (NIRSAL) is a new, innovative mechanism targeted at de-risking lending to the agricultural sector. It is designed to provide the singular, "one bullet" transformational solution to break the seeming jinx in agricultural lending and development in Nigeria.

The Central Bank of Nigeria (CBN), in August 2010, engaged the Alliance for Green Revolution in Africa (AGRA) to develop the NIRSAL.

NIRSAL is an approach that tackles both the agricultural value chains and the agricultural financing value-chain.

The goal of NIRSAL is to trigger an agricultural industrialization process through increased production and processing of the greater part of what is produced to boost economic earnings across the value chain.

The Growth Enhancement Support Scheme (GESS) represents a policy and pragmatic shift within the existing Fertilizer Market Stabilization Programme, and it puts the resource-constrained farmer at its center through the provision of a series of incentives to encourage the critical actors in the fertilizer value chain to work together to improve productivity, household food security, and income of the farmer.

Goals of GESS include:

- Targeting 5 million farmers in each year for four years that will receive GESS in their mobile phones directly, totaling 20 million at the end of four years.
- Providing support directly to farmers to enable them procure agricultural inputs at affordable prices, at the right time and place.
- Increasing productivity of farmers across the length and breadth of the country through increased use of fertilizer, i.e., to 50kg/ha from 13kg/ha.
- Changing the role of government from direct procurement and distribution of fertilizer to a facilitator of procurement, regulator of fertilizer quality, and catalyst of active private-sector participation in the fertilizer value chain.

Source: Federal Ministry of Agriculture and Rural Development (FMARD) (FMARD.gov.ng)

A PROFILE OF THE NATIONAL AGRICULTURAL SEEDS COUNCIL (NASC)

This article provides an overview of the activities of the National Agricultural Seeds Council (NASC) in the year 2014 as presented through the implementation of the activities of the various Departments, Sections, and Units of the Council.

The NASC was established in December 2007 as an Agency of the Federal Ministry of Agriculture and Rural Development (FMARD) in line with the provisions of National Agricultural Seeds Act No. 72 of 1992.

The NASC is charged with the overall development and regulation of the national seed industry. The functions of the Council include:

- Analysing and formulating programmes, policies, and actions regarding seed development and the seed industry in general, including research on issues relating to seed testing, registration, release, production, marketing, distribution, certification, quality control, supply and use of seeds in Nigeria, importation and exportation of seeds.
- Designing improved management systems and procedures relating to the administration of seed activity.
- Advising the federal government on the organization, management and financing of seed programmes.
- Analysing the market and prices of seeds.
- Advising the national research system on the changing pattern of seed demand and farmers' needs.
- Monitoring and evaluating the achievements of the national seed system and recommending improvements.
- Encouraging the establishment in Nigeria of seed companies for the purpose of carrying out research, production, processing and marketing of seeds.

- Regulating the seed industry in Nigeria.

NASC OPERATIONS

Under the ATA-Growth Enhancement Support (GES) scheme during the year, a total of 92,025 metric tonnes (MT) of certified seed was redeemed by about 6.8 million farmers, representing a 44% increase compared to 63,629 MT redeemed by 5.8 million farmers in 2013.

The production of certified seeds rose from 149,844 MT in 2013 to 178,039 MT in 2014, showing an increase of 19%. Similarly, foundation seed production increased from 8,595 MT in 2013 to 9,814 MT during the year. A total of 159 seed entrepreneurs (134 seed companies, 5 NARIs /IARCs, and 20 CBOs) participated in production of seeds during the year compared to 105 recorded in year 2013.

A total of 80,324 hectares (Ha) of seed crops-Breeder Seed (BS), Foundation Seed (FS), and Certified Seed (CS) fields was inspected, of which 79,659 Ha (99 %) was approved for certification. This was achieved through regular seed field inspection visits by the Council certification officers, monitoring team visits from the Headquarters for spot-checking the total area under seed production and quality of seed produced.

The Council during the year facilitated 73 seed companies to access loans of about N6 billion from commercial banks through the Nigerian Incentive-Based Risk Sharing System for Agricultural Lending (NIRSAL) for seed buy-back. Other outcomes include an increase in the number of licensed seed companies from eleven in 2011 to 134 in 2014. Global seed companies like Dupont-Pioneer, Syngenta, and Monsanto have decided to invest in the Nigeria seed industry.

Of the 111 seed entrepreneurs that applied for accreditation, 87 were approved by the Honourable Minister of Agriculture and Rural Development for issuance of a license for operation.

A total of 3,022 seed samples submitted for fourteen seed crops were tested and evaluated for minimum seed standards in the central seed testing laboratory (CSTL), Sheda and six zonal laboratories nationwide. A total of 2,661 samples (88%) met the minimum seed standards, while 361 (12%) samples failed to meet up with the minimum seed standard.

During the period under review (2014), a total of 6,987,382 seed certification tags comprising of 12,539 for breeder seeds, 132,414 for foundation seeds, and 6,842,429

for certified seeds were sold to seed producers nationwide.

The National Committee on Naming, Registration and Release of Crop Varieties, Livestock Breeds and Fisheries approved for registration and release eleven seed crop varieties.

During the year, four demonstration sites were established in four states nationwide – South West/Oyo-Ibadan; North West/Kaduna-Zaria; North East/Gombe-Akko; and North Central/FCT-Sheda-Kwali – to demonstrate the superiority of hybrids over open pollinated maize varieties as well as the superiority of other varieties over the local checks to enhance lateral spread and improve adoption rates.

To complement the effort of regular seed certification/field inspection officers, 100 National Youth Corp members with discipline in agriculture were trained in concepts, procedure, and practice of seed field inspection at all the six regional offices.

The National Seed Retreat with the theme "Transforming the Nigeria Seed Industry to Meeting the Goals of Agricultural Transformation Agenda" was held from 8th – 9th December, 2014, at Chelsea Hotel, Abuja, to review the status of the national seed industry, identify challenges relating to varietal development, seed production, processing, seed quality assurances, marketing and financing of the seed sub-sector with a view to charting the way forward.

In attendance were 283 participants drawn from the public and private sector.

The sum of N230, 562,091.00 was realized as Internally Generated Revenue during the year as against N212,721,000.00 generated in 2013.

Source: National Agricultural Seeds Council (NASC) (SeedCouncil.gov.ng)

Anchor Borrowers' Programme:

Kano laments failure of rice farmers to repay loan

Prof. Mahmoud Daneji,

The Managing Director, Kano State Agricultural and Rural Development Authority, expressed the concern at a news conference in Kano on Monday

"The KNARDA boss said in that spite of farmers' failure to repay the loan, the state government was determined to boost agricultural production and had placed emphasis on extension services."

The Kano State Government has expressed concern over the failure of rice farmers in the state to refund the over N900 million loan they took to boost rice production. The loan came under the Central Bank of Nigeria's (CBN) Anchor Borrowers' Programme (ABP).

Prof. Mahmoud Daneji, Managing Director of the Kano State Agricultural and Rural Development Authority (KNARDA), expressed the concern at a news conference in Kano on Monday, August 21, 2017. Daneji said: "I am not happy to say that some of our rice farmers that benefitted from CBN's Anchor Borrowers' Programme are yet to refund over N900 million. A total of N906 million was disbursed to the farmers but regrettably not up to N6 million was recovered from the money as most of the farmers think that it is a national cake."

The KNARDA boss said that in spite of farmers' failure to repay the loan, the state government was determined to boost agricultural production and had placed emphasis on extension services. Daneji said: "This state has no fewer than 1,800 extension agents that work directly with farmers in the state. If the extension link is missing, then

farmers or agriculture will not develop, hence government's decision to recruit more extension workers. Within the last one and a half years, we have recruited 729 extension workers to support farmers across our 44 local government areas."

According to Daneji, the state is not too far from meeting the United Nations recommendation of one extension worker to 250 farmers. He said the state currently had a ratio of one extension worker to 300 farmers. Daneji commended SG 2000-Nigeria country programme for training 100 new extension workers, adding that the state government had established five Farmer Information Centres to be inaugurated soon.

In his remarks, the SG 2000 Country Director, Prof. Sani Ahmed-Miko, said the visit to farmers in the three states had afforded the team the opportunity to interact with farmers. According to Ahmed-Miko, the visit also gave journalists the opportunity to hear from the beneficiaries of the SG 2000 intervention programmes, especially on the improved production technologies being promoted.

The Anchor Borrowers' Programme was launched by President Jonathan's administration in 2015. It is aimed at creating linkages between the anchor companies involved in processing and smallholder farmers of the required key agricultural commodities.

The thrust of ABP is the provision of farm inputs in kind and cash (for farm labour) to boost the production of smallholder farmers in the commodities.

It is intended also to stabilise inputs supply to agro-processors and address the country's negative balance of payments on food.

The loans granted to smallholder farmers are to be repaid with the harvested produce that shall be mandatorily delivered to the designated collection centres in line with the provisions of the agreement signed in the ABP.

The produce to be delivered must cover the loan principal and interest.

The loan targets smallholder farmers in groups/cooperatives and engaged in the production of identified commodities across the country.

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