
**INCEPTION REPORT ON
Agribusiness Policy Study on Developments,
Activities, and Policies Impacting Selected
Key Commodities in Nigeria from 2015 to 2023**

Submitted to Nigeria Agribusiness Group (NABG)

By

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Professor Paul Bolorunduro

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1.0 INTRODUCTION

1.1. Background Information

The NABG as a private sector platform and an umbrella organization leads the agribusiness sector in Nigeria, working together to grow Nigeria's agricultural economy, create jobs and lift millions out of poverty. As a multi-stakeholder group, NABG advocates for inclusive growth, recognizing smallholder farmers as Nigeria's largest private sector group and is engaging with some critical stakeholders in the Nigerian agribusiness space.

This study is being conducted on behalf of the NABG to analyze how agricultural policies, regulation, projects and interventions have affected the growth of some commodities - *Maize, Soybean, Tomato, Garlic, Kenaf and Acha/ Fonio* - in Nigeria in recent years. The analysis of information being collected will highlight successes, challenges, and gaps within these value chains, emphasizing the impact of climate change and the current agricultural commodities standards grading system. This will assist in developing policy briefs for interventions in developing these value chains.

1.2 Goal and Objectives

The goal of the study is to conduct comprehensive analysis of Nigeria's agricultural and agribusiness sector, focusing on developments over the past eight years (2015-2023) by examining agribusiness activities initiated by the government and donors, highlight successes, challenges, and gaps, to identify areas requiring strategic intervention for sustained growth and development.

The specific objectives are to:

- i. Conduct an in-depth assessment of agribusiness and agricultural policies, initiatives, and interventions that government and donors have undertaken in the last eight years.
- ii. Identify gaps, inefficiencies, and areas lacking alignment with sectoral best practices.
- iii. Propose practical and innovative solutions to address identified gaps and enhance the effectiveness of future agribusiness activities.
- iv. Outline a strategic roadmap for the next eight years, setting sectoral standards and directions for sustainable growth in the agricultural and agribusiness sectors.

1.3 Justification for Choice of Commodities and States

The criteria for focus crops and study area are:

- i. NABG choice of specified crops for the consultancy.
- ii. Three (3) major states with high production volumes for the focus crops over the years from production records of various agencies

1.4 Scope of Work and the Terms of Reference (TOR)

The scope of work as stated in the advert is considered attainable, subject to enabling business environment in the States chosen for field work and consultations with stakeholders, especially the value chain actors and commodity associations in the study areas. The TOR will be meticulously and explicitly adhered to for the envisaged outputs and outcomes. Efforts will be made by the consultant to conduct the consultancy in line with the objectives and purpose of the project. The objectives of the consultancy are quite comprehensive and considered to be achievable. The NABG focused commodities as advertised for this assignment play key roles in the Nigerian agricultural sector and the economy. Maize, Soybean and Tomato are among the major crops playing significant roles in Nigeria's bid for food and nutrition security. The value chains of these commodities have witnessed a lot of interventions by federal and state government, international organizations and donor agencies. Garlic, Acha/Fonio and Kenaf are minor crops with great potential for domestic industries and export in the global market.

The Project objectives will be achieved by ensuring that the report incorporate all issues raised in the TOR to enable a panoramic overview of the value chain as well as complimentary livelihood activities of smallholder farmers in the major States of their production.

1.5 Understanding of the Objectives of the Assignment

There is a clear understanding of the project objectives and efforts shall be made to realize them 'SMART'ly in accordance with global best practices for value chain analysis conduct and reporting. The objectives will be achieved by analyses of the target commodities value chains from primary and secondary data to be collected, with assessment on the effectiveness and impact of various policies and regulations on their development.

1.6 Briefs on the Target Commodity Value Chains

Vegetables: Primary production areas include Kaduna, Kano, and Gombe States.

Acha (Fonio): Primary production areas include Plateau, Bauchi, and Kaduna States.

Kenaf: Primary production areas include Jigawa, Kogi, and Ogun States.

- i. **Maize** - Nigeria's maize production has been on an upward trajectory, contributing to food security and economic growth. In 2021, maize production reached 12.75 million metric tons, slightly higher than the previous year's volume of 12.4 million metric tons - the highest within the observed period making Nigeria the 2nd highest maize producer in Africa (after South Africa) and the 11th in the world. Although an annual deficit of about 400,000 metric tons is met by import. The largest volumes of maize are produced in the Northern region, particularly in Kaduna, Niger, and Taraba and in the Southwestern States of Oyo, Ondo and Ogun. Focal States for the study are Kaduna, Niger and Oyo.
- ii. **Soybean** - Nigeria's current Soybean demand stands at about 1.5 million MT annually. However, local production, due to the unavailability of high yield seed varieties stands at an average of 1.12 million MT annually, leaving a production gap of over 50%. Soybean is highly demanded especially for livestock and fish feeds. Soybeans are produced in about 20 States but mostly produced in the Northcentral. Benue, Nasarawa, and Niger States are considered for the study.
- iii. **Vegetables** – Tomato and Garlic are considered for the study. Kaduna, Kano and Gombe States produce over 50% of tomato in the country with Kaduna alone responsible for over 800,000 MT annually. Garlic (an allium vegetable) is produced in Nigeria, and it has export potential, especially to African and Middle Eastern markets. Kano, Bauchi and Kaduna States are the major producers of Garlic in the country. These are therefore the focal States for these vegetables.
- iv. **Acha/ Fonio** - In Nigeria, Acha (Fonio) is grown in commercial quantities (estimated at 70,000 MT in 2021) in some States such as Bauchi, Kaduna, Kebbi, Plateau, Nasarawa, Niger, Gombe and FCT Abuja with Plateau state being the highest producer with an estimated production of 20,000 ton per annum. It is an emerging crop that can contribute significantly to food and nutrition security and an export earner for farmers and other value chain actors. The focal States of study for this crop are Kaduna, Plateau and Bauchi.

- v. **Kenaf** - Kenaf (*Hibiscus cannabinus*) is an emerging fibre crop as an alternative to Cotton, the major fibre crop in Nigeria, which has continuous environmental issues associated with its production and the general economic issues of the cotton industry in the past decades. It offers higher potential for improved yield, environmental improvement and sustained economic growth. Nigeria is one of the leading producers of Kenaf fibre - 4th in Africa and the 13th globally with an official estimate of 1,460 tonnes of total kenaf fibre output in 2020. The major producing States as well as focal study area of Kenaf fibres are Jigawa, Kogi, and Ogun States.

2.0 STUDY METHODOLOGY

2.1 Specific Tasks

The specific tasks of the assignment as outlined in the consultancy are:

- i. Conduct a comprehensive analysis of the target commodities' value chains, including a desk review covering the period from 2015-2023.
- ii. Collect primary data through interviews, visual surveys, and focus group discussions with key stakeholders, including input dealers, producers, processors, aggregators, marketers, and service providers.
- iii. Perform a SWOT analysis during a stakeholders' meeting to assess challenges and gaps along the value chains.
- iv. Develop policy briefs to enhance the competitiveness and resilience of the target commodities.
- v. Conduct a stakeholder validation meeting to finalize the report and incorporate feedback.

2.2 Description of Technical Approach and Methodology

2.2.1 Desktop Review

A desktop review will be carried out for comprehensive analysis of the target commodities' value chain from 2015-2023 to understand the status, developments, successes, challenges, gaps, market size, innovations and other issues. Details of the desktop review outline on the focus commodities (Maize, Soybean, Tomato, Garlic, Acha/Fonio and Kenaf) is as follows:

- i. Introduction
- ii. Assessment of Agribusiness and Agricultural Policies, Initiatives, and Interventions by Government and Donor Agencies (2015-2023).
- iii. Evaluation of the National and Sub-National Regulatory and Institutional Frameworks Supporting Agribusiness Based on Comparative Advantages.
- iv. Impact of Past Initiatives on Key Performance Indicators.
- v. Socio-Economic Impact of Current National and Sub-National Policies on Farmers and Value Chain Stakeholders.
- vi. Status of Sectoral Best Practices within the Value Chains and Areas Lacking Alignment.
- vii. Analysis of Market Size and Dynamics, Trade Patterns, and the Role of Technology in the Value Chain.
- viii. Traceability Systems for the Commodity and Solutions for Improving Supply Chain Transparency.
- ix. Analysis of the Current Agricultural Standard Grading System for the Commodities.
- x. Existing Economics Opportunities for the Crops and the Impact of Climate Change on the Value Chain.

2.2.2 Inception Workshop with Stakeholders

Inception workshop will be held with stakeholders for awareness and advocacy on the project, with syndicate groups on SWOT analysis will be done to assess the challenges and gaps along the value chains. Key stakeholders to be interacted with include government MDAs, private sector, financial institutions, development partners and farmers' associations, regulatory agencies and research institutions.

a) Ministries, Departments and Agencies (MDAs at Federal Level)

- i. Federal Ministry of Agriculture and Food Security
- ii. Ministry of Trade and Investment
- iii. Nigerian Export Promotion Commission
- iv. National Bureau of Statistics
- v. Agricultural Research Council of Nigeria

b) Financial Institutions

- i. Nigeria Incentive-Based Risk Sharing System for Agricultural Lending, Plc
- ii. Bank of Agriculture (BOA)

c) Commodity Associations

- i. Nigeria Soybean Association
- ii. Maize Association of Nigeria (MAAN)
- iii. Garlic Producers and Marketers Association of Nigeria
- iv. All Farmers Association of Nigeria
- v. Kenaf Producers, Processors and Marketers Association (KEPPMAN)
- vi. Maize Growers, Processors and Marketers Association of Nigeria
- vii. Soyabean Farmers Association of Nigeria (SOFAN)
- viii. Tomato Farmers Association of Nigeria
- ix. Tomato Growers, Processors and Marketers of Nigeria
- x. Tomatoes and Orchard Producers Association of Nigeria (TOPAN)
- xi. Nigeria Young Farmers Network

d) Private Sector Industries/Farms e.g. AgroEknor Fonio Industry and Sahel Consult

e) Development Partners/NGOs

- i. Alliance for a Green Revolution in Africa AGRA,
- ii. United States Agencies for International Development (USAID)
- iii. Food and Agriculture Organization of the United Nations (FAO)
- iv. BOP Inc,
- v. FTF - Nigeria Rural Resilience Activity, Mercy Corps
- vi. Synergos International
- vii. Helen Keller International
- viii. Horti Nigeria, IFDC

2.3 Data Collection

Key informant interview (KII) will be conducted by interactions with relevant MDAs, value chain actors, commodities associations, on-going projects, other stakeholders to facilitate the collection of useful information and relevant data to achieve the study stated goal and objectives. Primary data collection by interview and visual survey for quantitative data will involve the development of paper-based questionnaire for the value chain actors of the target commodities, and checklist will be used in FGD for qualitative data collection. Paper-based questionnaire will be programmed into electronic versions for computer assisted personal interview (CAPI), with the use of ODK collection tool, uploaded to a host server (*Ona*) subscribed to for the data collection using tablets. Three (3) prominent States for production of each of the

commodities will be studied with appropriate sample size and gender segregation will be applied at each level to capture women, youths and the physically challenged in each value chain.

2.4 Sample Techniques

Table 1 shows the three major producers of the target commodities, while Table 2 proposed respondents to be interviewed per commodity per State.

Table 1. Major States with high production of the target commodities

S/No.	Target Commodities	Major Producing States
1	Maize	Kaduna, Niger, Oyo
2	Soybean	Benue, Nasarawa, Niger
3	Acha (Fonio)	Plateau, Bauchi, Kaduna
4	Kenaf	Jigawa, Kogi, Ogun
5	Vegetable (Tomato)	Kaduna, Kano, Gombe
	Vegetable (Garlic)	Kaduna, Kano, Bauchi

Table 2: Sample Size of Value Chain Actors and Team Composition across the States

S/N	State	Crop and Sample Size	Field Day	Team	Team Members and Contact
1	Bauchi	Acha(Fonio): SS =120 Garlic: SS = 60	5	1	1. Dr. Yunusa M. Shuaibu - 08034522923 2. Dr. Aliyu Babaji - 08030515202
2	Benue	Soybean: SS = 180	5	2	1. Veronica Igbana - 08060403795 2. Ene Oche - 07064287699
3	Gombe	Vegetables (Tomato) SS = 180	5	3	1. Dr. Abubakar Mele - 07063992121 2. Salisu Muhammad - 07035323239
4	Jigawa	Kenaf: SS = 60	3	4	1. Dr. Ado Nasiru - 07036923872 2. Shafiu Jafaru - 08062500830
5	Kaduna	Maize: SS = 180	5	5	1. Abdulrahman Garba - 08036016810 2. Dauda Dandada - 07030523008
		Vegetables: SS = 180 (Tomato120 & Garlic 60)	5	6	1. Dr Ekundayo Afolabi - 08036335728 2. Nura Balarabe - 08023186979
		Acha(Fonio): SS =120	4	7	1. Bamaiyi Mathew - 08091546852 2. Gideon Gajere - 09021029779
6	Kano	Vegetables: SS = 180 (Tomato 120: Garlic 60)	5	8	1. Dahiru Mukhtar - 08032421184 2. Abubakar Abdulrahman - 08065387650
7	Kogi	Kenaf: SS = 60	3	9	1. Dr Opeyemi Gbenga - 08072230109 2. Dr Felix Oyinbo - 08039682755
8	Nasarawa	Soybean: SS = 180	5	10	1. Gaius Gambo - 08069799830 2. Manasseh O. Jibson - 08164137655
9	Niger	Maize: SS = 180	5	11	1. Habiba Garafini - 08066831745 2. Ibrahim Kuta - 07069099090
		Soybean: SS = 180	5	12	1. Mohammed K. Abbas - 07017676991 2. Aisha Haruna - 08144472028

10	Ogun	Kenaf: SS = 60	3	13	1. Tomiwa Omisope - 08063189756 2. Ogunseye Opeyemi - 08057075092
11	Oyo	Maize: SS = 180	5	14	1. Dr Adewumi Adesina - 08067359596 2. Adeniran A. Rotimi - 08030650791
12	Plateau	Acha(Fonio): SS = 120	4	15	1. Nancy Izang -08036203016 2. Solomon T. Binga - 09132857929

Note: SS – Sample Size

In each State, each team of enumerators will interview value chain actors – input dealers, farmers, processors and marketers at specific sample size for each commodity chain actors in 2 local government areas of the state with high activities for each commodity. Focus group discussion and key informants will also be interviewed. The Ministry of Agriculture, the Agricultural Development Project and an NGO with project in the studied commodities will be interacted with. Field photographs mainly of value chain activities will be documented by the enumerators.

At the national level, regulatory agencies, financial institutions, development partners, commodity associations and research institutions will be interacted with by the consultants,

2.5 Data Analysis

Appropriate statistical tools will be employed for data analysis and report writing with policy briefs developed for key issues of each commodity value chain. Roadmaps for their developments within the next 8 years will also be produced.

Validation (post-draft report production) workshop will be held with stakeholders for further inputs to final reports.

2.6 Detailed Work Plan

Table 3: Work Schedule -Timelines

S/No	Activity	Week							
		1	2	3	4	5	6	7	8
1	Planning, Logistics, Desk Review	■	■						
2	Submission of Inception Report		■						
3	Study Tools Development	■	■						
4	Stakeholders' Meeting			■					
5	Field Work			■	■				
6	Data Collation/Analysis					■			
7	Report Writing					■	■		
8	Policy Brief Writing on Commodities						■		
9	Submission of Draft Report and Policy Briefs for Commodities						■		
10	Report and Policy Briefs Validation							■	
11	Submission of Final Report and Policy Briefs on Commodities								■

Table 4: Proposed Activity Schedules and Dates

S/N	Activity	Week	Timeline
1	Signing of Contract	Week 1	3 rd Sept.
2	Planning/Logistics and Desk Review	Week 1-2	4 th -12 th Sept
3	Study Tools Development and Submission	Week 2	14 th Sept
4	Inception Report Submission	Week 2	14 th Sept
6	Virtual Training of Enumerators on Tools	Week 3	20 th Sept
5	Stakeholder Workshop and Visits	Week 3	23 rd -28 th Sept
6	Field Work in 12 States	Week 4-5	23 rd Sept - 5 th Oct.
7	Interactions with Stakeholders (<i>visits, calls, virtual</i>)	Week 4-5	23 rd Sept - 5 th Oct.
8	Data Collation/Analysis	Week 6	6 th Oct.- 12 th Oct.
9	Report Writing	Week 7-8	14 th -23 rd Oct.
10	Draft Report and Policy Briefs Submission	Week 8	25 th Oct
11	Report Validation Meeting and Peer Review	Week 8	28 th Oct.
12	Final Report and Policy Briefs Submission	Week 8	31 st Oct.