A ONE-DAY ROUNDTABLE ON "TOWARDS ACHIEVING FOOD SECURITY IN NIGERIA" 16TH AUGUST 2011.

INTRODUCTION

According to the United Nation's Food and Agricultural Organisation, "Food security exists when all people, at all times, have physical, social and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life." Thus, one of the primary achievements of man is the ability to provide sufficient quality food for human consumption.

The importance of having food security in national development has never been lost on any of the successive Nigerian governments. Policies and programmes to achieve food security have often formed part of government's agenda. But sadly from less than N1billion in the early 1970s, the country's present food import bills stand at a whooping N630 billion per annum made up of items such as sugar, rice, milk, wheat, maize, beef, poultry, fish etc. This phenomenal increase in food import is a clear indication that domestic agricultural output is not keeping pace with our domestic needs for essential food items and raw materials for agro-industries.

In recent times global attention has focused on the need for achieving food security due to significant shortages in food supply with its attendant price increases, thus exposing a rising rate of the global population, especially in the developing countries, to hunger and starvation.

In view of the foregoing, and in furtherance of its determination to bring contemporary issues to public discuss and proffer practical recommendations that will move the nation forward, the Nigerian Institute of Advanced Legal Studies organised a one-day Roundtable aimed at drawing up a road map to resolving the problem of food insecurity in Nigeria. Perspectives at the Roundtable included – A survey of the Legal Framework for Promoting Agricultural Productivity; Public Private Partnership for Agricultural Productivity; Mechanised Farming and Food Preservation; Agriculture, Wealth Creation and Challenges of Unemployment; A Human Right Perspective to the Food Security Question; Agricultural Productivity and the Politics of Genetically modified Products (GMP) and Land Reform and Food Security.

The Roundtable had in attendance participants drawn from a cross section of the polity whilst some distinguished personalities made informed presentations.

OBSERVATIONS

The following observations were made at the end of deliberations –

1. Food security is relevant for both human and animal population.

- 2. The agricultural sector is central to Nigeria's economy, accounting for 40 percent of Gross Domestic Product and providing 60 percent of employment.
- 3. Since the 1960s, Nigeria has lost a dominant position in exports of key crops such as cocoa, groundnuts, groundnut oil and palm oil. In the 1960s, Nigeria had over 60% of global palm oil exports, 30% of global groundnut exports, 20-30% of global groundnut oil exports, and 15 % of global cocoa exports. By the 2000s, Nigeria's global share of exports of each of these crops had dropped to 5% or less.
- 4. Nigeria is still grappling with the serious problem of lack of adequate food in a land blessed with arable land. It is one of the leading countries saddled with global food insecurity in sub-saharan Africa and is, today, a net importer of agricultural produce, with imports totalling NGN 630 billion. Large imported food products include wheat (NGN 165 billion), fish (NGN 105 billion), rice (NGN 75 billion), and sugar (NGN 60 billion). Total food import bill of USD 4.2 billion annually.
- 5. Nigeria's agriculture sector has enormous potential with an opportunity to grow output by 160%, from USD 99 billion today to USD 256 billion by 2030. This growth potential comes from potential to increase yields to 80-100% of benchmark countries; increase acreage by 14 m ha new agricultural land, approximately 38% of Nigeria's unused arable land of 36.9m ha; and shift 20% of production to higher value crops'. Unfortunately, however, this opportunity and potentials are not being adequately exploited except by foreign exporters of food to Nigeria.
- 6. Nigeria faces a large and growing global agricultural market –Rising commodity prices, growing demand for food, and opportunities in bio-fuel all present significant opportunities for Nigeria. For example, global cereal demand will grow by between 31% and 150% by 2050 depending on the region, and global commodity prices are in their second major spike in three years. Agriculture can become the main driver for more equitable income growth, compared to oil and gas sector.
- 7. In the past 20years, successive governments have focused on the development of other sectors of the economy such as oil and gas, telecommunication etc. at the detriment of the agricultural sector thereby resulting in a high food import dependent economy.
- 8. The procurement and distribution of fertilizer has been hijacked by influential politicians who divert a large portion of it to the market at higher prices. The subsidy granted by the Federal Government thus ends up in the politicians pocket whilst the farmers, the target beneficiaries, are denied the benefit.
- 9. The Bank of Agriculture, which is supposed to help provide credit for the agricultural sector is still in the woods even though it has undergone several nomenclature metamorphosis. Eleven years on from its merger with People's Bank in 2000, it has only achieved N20billion capitalisation as opposed to the N1.6 trillion it requires to meet the needs of small scale farmers in the country.

- 10. There are key gaps in the agricultural financing value chain. Agricultural lending accounts for only 1.4%1of total lending, and has declined since 2006. High performing agricultural developing countries, such as Brazil, Mali, Burkina Faso, lend over 10% to agriculture as % of total loans.
- 11. Banks have limited understanding of agriculture as they perceive risk to be higher than it actually is. Besides, agriculture credit assessment process is poor.
- 12. Only 21% of the Nigerian population is banked. 63% of the unbanked population cites no access to banking as key constraint whilst 34% cite no access to banking as key constraint.
- 13. There is a low level of loan distribution resulting from insufficient infrastructure linking banks to agricultural zones. Moreover, there is limited bank footprint in agricultural areas.
- 14. Only 500,000 of Nigeria's agricultural producers have access to insurance.
- 15. There is equally insufficient agricultural insurance. Nigerian Agricultural Insurance Corporation (NAIC) is the sole legally mandated supplier of agricultural insurance.
- 16. The problem of the Bank is also compounded by undue interference and insincerity on the part of non genuine farmers who collect loans and use it for other purposes.
- 17. Nigerian Incentive Based Risk Sharing for Agricultural Lending (NIRSAL)'s organisation and coordination of Nigeria's agricultural value chains efforts is aimed at strengthening the value chain and ensure that lending and related activities occur on a prudent platform.
- 18. Laudable as the mandate of the National Agricultural Land Development Authority (NALDA) as contained in its Act is, NALDA has not been able to translate the mandate into reality.
- 19. Agricultural institutes are in a sorry state as they suffer from decaying and obsolete infrastructure due to lack of adequate funding.
- 20. Reliable studies show that
 - (a) Nigerian Agricultural Research Institutes are failing in innovation and collaboration with farmers and also ability to effectively monitor and evaluate their research findings on the field;
 - (b) Nigeria has no cohesive national agricultural policy or strategic plan and has a weak advocacy at the highest level of government for the implementation of agricultural policies to benefit the agricultural sector;
 - (c) Several institutions are not connected to the Internet and this has hindered national and international collaborators.
- 21. Government has put in place several policies, laws and institutions to shape agriculture in Nigeria. The problem however is that this legal framework is not helpful as there are several laws dealing with different aspects of the agricultural sector. Coordination of the sector has therefore been difficult
- 22. There appears not to be an overbearing effort to create and sustain increased private sector investment in agriculture.
- 23. Oil boom has shifted Nigeria's focus from agriculture to oil.
- 24. All the agricultural research institutions are under the Ministry of education as opposed the Ministry of Agriculture where they would be more effective.

- 25. The agricultural research institutions are faced with poor funding. They are not very useful in helping Nigeria out with world class research that could translate Nigeria into a major world exporter of food.
- 26. The current push by the CBN to have an agricultural lending policy called NIRSAL is commendable and it is hoped it will not end like several previous agricultural policies which all failed to take agricultural investment to the desired level.
- 27. Private sector involvement in the development and funding of public infrastructure, facilities and services has been on the increase in the last decade. These techniques are known as public private partnership (PPP) and is meant to fill infrastructural gaps.
- 28. It is well stated that Nigeria is an agricultural country. It therefore follows that food should not be our problem.
- 29. The PPP variants are numerous. The agricultural sector will benefit from the adoption of the PPP in developing the required agricultural infrastructure.
- 30. Private sector involvement is critical for food security.
- 31. The legal and regulatory framework for the successful application of PPP for food production in Nigeria cover the relevant provisions of the 1999 Constitution; the Land Use Act 1978; Infrastructural Concession, 2005; Public Procurement Act, 2004; the Fiscal Responsibility Act, 2007 and laws guiding investment promotion.
- 32. Though the Fadama Agricultural Development Project has achieved some measure of success, it needs improving upon, particularly as relating to private sector participation, poor women involvement and human capacity development.
- 33. The Federal Ministry of Agriculture and Water Resources Policy manual No. 4 of December 2009 dealing with Rural Infrastructure Small Scale Community-owned Infrastructure has substantially prepared the grounds for the application of PPP to agriculture by its categorisation of agricultural infrastructure into community-owned infrastructure projects and cross-Fadama community projects.
- 34. Agriculture is Nigeria's most assured engine of development, a reliable key to industrialisation, in spite of the huge but ephemeral revenue derived from oil.
- 35. Nigerian agriculture is characterized by small holdings, low input operations, low productivity and limited access to markets and credits.
- 36. The contribution of agriculture to the national GDP was 35% for the period 2000 2004, while the contribution of agriculture to the non-oil sector for the same period was 51%.
- 37. Nigeria is blessed with a land mass of about 91.0 million hectares out of which about 83.0 million hectares is considered arable and suitable for agriculture. However, less than 30.0 million hectares is currently under cultivation.
- 38. In Nigeria today, crop farming, livestock production and fisheries remain the major source of employment of the, majority of the adult population.
- 39. Politics, greed, graft, unprofessionalism, ignorance and inadequate infrastructural facilities are among the factors for the tales of woes which Nigerian agriculture has become.
- 40. Agriculture is an engine of economic growth. Sustainability in agricultural production means putting all improved production techniques and strategies in place in order to achieve self-sufficiency in food production.

- 41. Poverty is still ravaging the Nigerian population, especially in rural Nigeria. Available data from FOS indicates that poverty incidences in Nigeria in 1960 was 15%. This rose to 25% in 1980 and 46% in 1985. By 1996, the poverty incidence was estimated at about 60% in a population of about 110 million.
- 42. There is also the perception that the status of farmers is not recognised in Nigeria. Youths do not therefore take pride in farming.
- 43. The right to food is classified as a socio-economic right; a right to have regular, permanent and free access, either directly or by means of financial purchases of food that is qualitatively and quantitatively adequate, corresponds to the traditions of the people to which the consumer belongs and that ensures a physical and mental life, both individual and collective that is fulfilling and dignified, free of fear.
- 44. The right to food includes the right to be helped if one cannot take care of oneself i. e. right to food aid.
- 45. The right to food is guaranteed under several laws including the African Charter on Human Peoples' Rights. In fact the South African Government guarantees it in its Constitution. It is thus an enforceable right.
- 46. Every person must have access to food either physically or economically.
- 47. The right to food is a human right. Therefore, taking steps to achieve food security is not a political option but a legal obligation
- 48. The mechanisms available at the national level for the enforcement of the right to food include the courts and extra-judicial monitoring bodies such as the National Human Rights Commission and the Ombudsman.
- 49. The right to food is not provided in the Constitution as a basic right. However, the right to food is provided as part of the Directive Principles of State Policy.
- 50. The Nigerian Government's obligation in ensuring food security includes protecting the right to food by preventing or restraining third party actors from damaging resources that promote access to food.
- 51. A rights perspective to food security is imperative.
- 52. The issue of N18, 000 minimum wage does not address the issue of food security as it still stands below \$1 per family of 4 when translated into the dollar.
- 53. Arable lands are gradually lost in desertification and climate change. Oil pollution, desertification, erosion are some of the problems of land and food security.
- 54. 70% of the population depends on agriculture; Africa ought to declare a state of food emergency.
- 55. Biotic stresses affect plants and these are more than the application of fertilizer.
- 56. There is less water and low fish stock, consequently, we have hunger, food scarcity and food insecurity.
- 57. Food security cannot be achieved without agricultural productivity. Increased agricultural productivity in turn, increases agricultural productivity which in turn increases available and improved food.

- 58. Food security requires the conversion of virgin forests and wilderness into arable lands.
- 59. Genetic food improvement enables farmers to increase yield, reduce plant diseases and help to increase crop durability. But there is the perception in some quarters that genetically modified food is the cause of food insecurity.
- 60. Genetically modified crops are presently undergoing field trials in Nigeria in Zaria and Umudike.
- 61. No genetically modified food has been certified safe anywhere in the world.
- 62. Nigeria National Safety Bill is yet to be passed into law.

RECOMMENDATIONS

- 1. Nigeria needs concrete road maps for implementation of food security and related issues. The first place to start is with the establishment of a National Commission for Agriculture to co-ordinate agriculture policies of government and harmonise them for implementation.
- 2. The Federal Government should encourage the Ministry of Trade and Tourism in conjunction with the Ministry of Agriculture to invite major agricultural firms in addition to upcoming domestic entrepreneurs in the agricultural sector.
- 3. Research institutions should be encouraged to develop mechanisms for commercialisation of the agricultural sector for implementation by the government through the advocated National Commission for Agriculture or any other equivalent institution.
- 4. Federal, state and local governments should move on to create farm settlements with modern social amenities such as roads, electricity, schools etc., and encourage graduates of agricultural institutions to take to mechanised small scale farming instead of looking for white collar jobs in the cities.
- 5. We must go back to the era of serious farming both by government and private individuals and institutions. In this regard a longer term and more suitable strategy would be to encourage increased private sector investment in the agricultural sector.
- 6. Federal and state governments should make land available to schools primary to tertiary as well as other institutions and corporations for agricultural purpose. Facilities for mechanised farming as well as funding should also be provided.
- 7. In this regard, the problem of land tenure needs to be addressed.
- 8. Agricultural productivity should be raised through drought and overall natural resource management as well as through technology introduction including production intensification and irrigation development.
- 9. Sustainability of agricultural productivity should be ensured through serious attention to environment and natural resources, especially soils, watersheds, and biodiversity.
- 10. Both wealth creation, employment generation and the reduction of poverty can be addressed with the application of effective and appropriate agricultural production policies which will drive and make agriculture productive in a sustainable way. In

- order to reverse the negative trend observed and reported above, agriculture needs to be practiced and managed on a sustainable basis.
- 11. The elimination of extreme poverty through job generation and wealth creation should top government agenda at all levels.
- 12. The areas of agriculture that have high potential for employment generation and wealth creation deserve initial government involvement by way of government's provision of an enabling environment including linkages with finance, sensitisation and human capacity building.
- 13. Although globally agriculture is not one area of the core PPP transactions, the principles should be extended to rural road construction and improvement and rehabilitation, water resources board infrastructure, irrigation systems infrastructure, storage system and marketing infrastructure.
- 14. Before adopting any PPP model in the provision of rural infrastructure, steps should be taken for proper identification of the required infrastructure, determination of their viability and sustainability and the appropriate PPP model.
- 15. The Abuja Commodity Exchange should be made accessible to farmers so that they too can trade there.
- 16. Subsidy and adequate fertilizer should be made available to farmers to give them needed encouragement.
- 17. Land Law, i. e. the Land Use Act, and policy reform should be undertaken to ensure easy access to agricultural land.
- 18. The Nigerian Incentive Based Risk Sharing for Agricultural Lending (NIRSAL) should be enacted into law to foreclose its being rejected by stakeholders.
- 19. Education should be provided for farmers for extension services.
- 20. The role of women in agriculture should be recognised as they are more productive, reliable, better borrowers, more focused etc.
- 21. Agricultural research institutions should be transferred to the Ministry of Agriculture so as to create the necessary link critical for their proper productivity.
- 22. All agricultural institutions must publish their research findings. This is required for proper statistics and data.
- 23. Traditional rulers can also be used as a channel to drive agricultural production as well as the local government where there is rural control.
- 24. The Bank of Agricultural must be revitalised, refocused for more effective facilitation of farmers for production.
- 25. The CBN should give greater visibility to the NIRSAL initiative.
- 26. Moribund universities of agriculture and research institutes should be revitalised.
- 27. The Nigerian Institute of Advanced Legal Studies should establish a volunteer outfit on a separate website towards a movement for facilitating food security.
- 28. The right to be free from hunger demands more immediate and urgent steps.
- 29. The Nigerian courts should tow the line of the South African and Indian courts with respect to the interpretation of laws in relation to food security.
- 30. The National Assembly should align itself with the examples of countries like South Africa by making the right to food a fundamental human right.
- 31. There should be a trademark/production mark which *prima facie* shows that agricultural products have attained certain standards. This will be accepted internationally thus creating an attraction for the youths.

- 32. The achievement of food security must take environmental issues into consideration.
- 33. The agricultural insurance industry should be deregulated. Specifically Section 13, Part III, of the NAIC's Decree 37 of 1993 should be amended to **provide** shared infrastructure; allow private insurance companies to play along with NAIC; pave way for innovations; up-scale competition, and increase outreach among agricultural producers.
- 34. The procurement and distribution of fertilizer and seeds to Nigerian farmers should be liberalised to scale up the Voucher Program for fertilizer; remove fertilizer import licensing, monitor and evaluate fertilizer subsidy; review sections 2(1) h, 17(1) & 23(1) of the National Agricultural Seed Decree No.72 of 1992; boost seed production, provide the right seeds; and encourage processing and marketing.
- 35. Unfavourable trade laws and market policies/Institutional arrangements should be reviewed.
- 36. New trade tariffs/incentives that link the country's broken agricultural value chains should be introduced.
- 37. Abuja Securities & Commodity Exchange (ASCE) should be repositioned to cede the control of ASCE to the Central Bank of Nigeria (CBN) for improved performance; inject more funds to ASCE; restructure the Ministry of Agriculture & the CBN to partner on ASCE's re-structuring and ensure that FMA & RD and other government institutions patronise ASCE.
- 38. A Bill on the NIRSAL initiative should be presented to the National Assembly for passage into law to replace the existing law on Agricultural Credit Guarantee Scheme Fund (ACGSF). This will ensure consistency/business continuity for NIRSAL and agricultural development.
- 39. Guaranteed produce minimum price should be provided for farmers.
- 40. We must produce plants that can survive stresses such as salinity and desertification.