# Agriculture Promotion Policy 2016-2020 and Rural Development In Nigeria: Challenges And Prospects

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**Abstract :** The importance of agriculture in the development of the Nigerian economy cannot be overstressed. It is central to the economic activities of the rural sector. In an effort to strengthen the sector, the President Buhari led administration came up with the Agriculture Promotion Policy 2016-2020. The policy which is also referred to as The Green Alternative is driven by engagement of marketplace participants, farmers, states, investors, financial institutions, and communities. Judging from the experience of failed policies in Nigeria, the policy is concerned with assessing the challenges and prospects of the policy framework and implementation strategies. Data is drawn largely from secondary sources and content analysis is used to evaluate literature. From literature reviewed and analysed, the study concludes that an effective way of implementing the policy is by ensuring that the advocacy of providing a conducive legislative and agricultural knowledge framework, macro policies, security enhancing physical infrastructure and institutional mechanisms for coordination and enhancing access to adequate inputs, finance, information on innovation, agricultural services and markets is fully achieved.

Keywords: Agriculture, Promotion Policy, Green Alternatives, Rural, Development

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# I. INTRODUCTION

Agriculture is the engine that stimulates economic processes when it comes to national development. Historical facts show that before the oil boom in the 1970s, agriculture was the mainstay of Nigeria's economy (Ayodele, Obafemi, and Ebong, 2013). Each region was known for a particular agricultural produce, the Northern region was known as groundnut pyramid; Western region for cocoa, one of the world best commercial viable seed; the Eastern region was the home of palm nut and cassava, and collectively, the proceeds from this agricultural products made Nigeria the beauty of Africa.

Historically, "agriculture contributed to over 90% of the country's GDP, which was once upon a time" (Opinion Nigeria, 2013). Though faced with several challenges, agriculture remains viable in driving the development agenda of Nigeria. Fatokun (2015) enumerated some of the potentials of the sector to include,

- 1. A shift in monoculture economy i.e. diversifying from over-reliance on crude oil especially at a time when the price plummet which is becoming to tell on the economy.
- 2. Provision of food and raw materials through development of agriculture to the Nigeria teaming population and the development of the manufacturing sector respectively, which also discourage heavy dependence on importation.
- 3. The agriculture sector is also capable of reducing the country's level of unemployment on the account that the sector is labor intensive.
- 4. Agriculture will also curb the effect of rural-urban migration which will help to decongest the urban areas and make life easier for people both in the rural or urban area.
- 5. Agriculture will also help the government to make more effort in developing the degrading infrastructural facilities throughout the nation in an attempt to ease movement of goods from one location to the other, likewise for the preservation of Agricultural output.
- 6. Development of the Agriculture sector will also help in improving other sectors and thereby curbing the level of the existing corruption in the country.
- 7. The development of Nigeria Agriculture sector may also help to reduce the level of corruption in the country.

Nigeria economy is blessed with series of natural resources, yet they suffer in the midst of plenty. Nigeria has a high poverty rate in comparison with other African countries despite its higher Gross Domestic Product (GDP). Currently, Nigeria has over 80% of its land arable but unfortunately less than 40% of the land is cultivated despite the country's teeming population and level of unemployment (Fatokun, 2015).

Putting Nigeria's agriculture sector on a path to growth requires action to solve two major problems: produce enough fresh, high-quality foods for the Nigerian market; and serve the export market successfully and earn foreign exchange. The new federal Agricultural Promotion Policy (APP) is a strategy that focuses on solving the core issues at the heart of limited food production and delivery of quality standards. As productivity improves domestically and standards are raised for all Nigerian food production, export markets will also benefit impacting positively on Nigeria's balance of payments. Given limited resources and the importance of delivering sustainable results, the Federal Ministry of Agriculture & Rural Development (FMARD) in consultation with partners has identified an initial pool of crops and related activities that will be Nigeria's path to tackling the aforementioned gaps. The study is designed to evaluate the policy framework, action plans and envisage challenges. This will be supported by prospects required in the effective implementation of the policy framework.

### Statement of the research problem

Among several challenges faced by the Nigerian agricultural sector, emerging studies (World Bank, 2013; Ayodele, Obafemi, and Ebong, 2013; FAO, 2014; Shittu, 2017; FMARD, 2017) indicates two key challenges. One is an inability to meet domestic food requirements, and secondly, an inability to export at quality levels required for market success. The former problem is a productivity challenge driven by an input system and farming model that is largely inefficient. As a result, an aging population of farmers do not have enough seeds, fertilizers, irrigation, crop protection and related support to be successful (Carbaugh, 2009). The latter challenge is driven by an equally inefficient system for setting and enforcing food quality standards, as well as poor knowledge of target markets. These challenges were not carefully tackled will affect the prospects of the Nigeria Agriculture Promotion Policy.

#### Agriculture Promotion Policy 2016-2020: Assessing the Policy Framework

In response to the need to end hunger and malnutrition in Nigeria, President Muhammadu Buhari's took appropriate step with the implementation of a new Agriculture Promotion Policy (2016-2020). Also referred to as The Green Alternative, the policy is the outcome of an intensive consultative process between November 2015 and April 2016, which involved multiple stakeholders. From farmer groups to investors to processors to lenders to civil servants to academics, many stakeholders provided detailed input, commentary, and support (FMARD, 2017). The policy is driven by engagement of marketplace participants, farmers, states, investors, financial institutions, and communities.

The vision of the Buhari Administration for agriculture is to work with key stakeholders to build an agribusiness economy capable of delivering sustained prosperity by meeting domestic food security goals, generating exports, and supporting sustainable income and job growth. Therefore in 2016 to 2020, Nigeria's policy now needs to be readjusted to solve the aforementioned challenges. The go forward federal priorities (in partnership with State Governments) will be the following four: food security; import substitution; job creation; and economic diversification (FMARD, 2017).

The new policy regime tagged the Agriculture Promotion Policy (APP) Policy is founded on the following guiding principles:

1. Agriculture as a business– focusing the policy instruments on a government-enabled, private sector-led engagement as the main growth driver of the sector. This essential principle was established in the ATA and will remain a cardinal design principle of Nigeria's agriculture policies going forward.

2. Agriculture as key to long-term economic growth and security—focusing policy instruments to ensure that the commercialization of agriculture includes technologies, financial services, inputs supply chains, and market linkages that directly engage rural poor farmers because rural economic growth will play a critical role in the country's successful job creation, economic diversity, improved security and sustainable economic growth.

3. Food as a human right – focusing the policy instruments for agricultural development on the social responsibility of government with respect to food security, social security and equity in the Nigerian society; and compelling the government to recognize, protect and fulfill the irreducible minimum degree of freedom of the people from hunger and malnutrition.

4. Value chain approach – focusing the policy instruments for enterprise development across successive stages of the commodity value chains for the development of crop, livestock and fisheries sub-sectors, namely input supply, production, storage, processing/utilization, marketing, and consumption. Building complex linkages between value chain stages will be an important part of the ecosystem that will drive sustained prosperity for all Nigerians.

5. Prioritizing crops – focusing policy on achieving improved domestic food security and boosting export earnings requires a measure of prioritization. Therefore, for domestic crops, the initial focus in 2016 - 2018 will be expanding the production of rice, wheat, maize, soya beans, and tomatoes. For export crops, the initial focus will be on cocoa, cassava, oil palm, sesame, and gum Arabic. From 2018 onwards, the export focus will add on bananas, avocado, mango, fish and cashew nuts. Investments in closing infrastructure gaps to accelerate productivity and investment in these crops will also be sequenced to reflect capital availability and management attention.

6. Market orientation– focusing policy instruments on stimulating agricultural production on a sustainable basis, and stimulating supply and demand for agricultural produce by facilitating linkages between producers and off-takers, while stabilizing prices or reducing price volatility for agricultural produce through market-led price stabilization mechanisms (commodity exchanges, negotiated off-take agreements, extended farm-gate price under value chains coordination mechanisms, agricultural insurance, etc.)

7. Factoring Climate change and Environmental sustainability – focusing policy instruments on the sustainability of the use of natural resources (land and soil, water and ecosystems) with the future generation in mind while increasing agricultural production, marketing, and other human activities in the agricultural sector.

8. Participation and inclusiveness – focusing instruments on measures to maximize the full participation of stakeholders including farmer's associations, cooperatives, and other groups, as well as NGOs, CBOs, CSOs, development partners and the private sector. This places a premium on the role of these organizations or groups as agents of economic change in the general and agricultural economy, in particular, thereby drawing benefits from their policy advocacy roles as partners to and watchdog of government.

9. Policy integrity– focusing policy instruments on measures for sanitizing the business environment for agriculture, in terms of accountability, transparency and due process of law, ensuring efficient allocation and use of public funding and fighting corruption on all programmes involving public resources. This also applies to compliance with international commitments, protocols, and conventions that Nigeria is a signatory to.

10. Nutrition-sensitive agriculture– focusing policy instruments on addressing the issues of stunting, wasting, underweight and other manifestations of hunger and malnutrition with particular reference to the vulnerable groups, which include children under 5, nursing mothers and persons with chronic illness and disabilities

11. Agriculture's Linkages with Other Sectors– focusing policy instruments on the connected relationship between agriculture and other sectors at federal and state levels, particularly industry, environment, power, energy, works and water sectors (FMARD, 2017).

Within the set of policy principles, the framework maintained that the Federal Government will concentrate on providing an enabling environment for stakeholders at federal and state level to play their distinctive roles. The policy emphasis will be on providing a conducive legislative and agricultural knowledge framework, macro policies, security enhancing physical infrastructure and institutional mechanisms for coordination and enhancing access to adequate inputs, finance, information on innovation, agricultural services and markets (FMARD, 2017).

# Implementation strategies of the Agriculture Promotion Policy

According to the Federal Ministry of Agriculture & Rural Development (FMARD), the policy action plans are as follows,

First, FMARD will prioritize improving productivity into a number of domestically focused crops and activities. These are rice, wheat, maize, fish (aquaculture), dairy milk, soya beans, poultry, horticulture (fruits and vegetables), and sugar. Nigeria believes that the gap can be closed by partnering closely with private investors across farmer groups and companies to develop end to end value chain solutions. These chains will receive facilitated government support as they make deep commitments to engaging a new generation of farmers, improving the supply of specialized fertilizers and protection chemicals, as well as wider scale use of high yielding seeds. In addition, Nigeria expects to work with investors to sharply improve the distribution system for fresh foods so as to reduce time to table, reduce post-harvest losses, and overall improve nutritional outcomes e.g. lowering of diabetic risk, stunting risk, etc.

Second, FMARD will prioritize for export markets the production of the following crops and activities: cowpeas, cocoa, cashew, cassava (starch, chips, and ethanol), ginger, sesame, oil palm, yams, horticulture (fruits and vegetables), beef and cotton. FMARD will also work with a network of investors, farmers, processors and other stakeholders to deepen the supporting infrastructure to ensure that quality standards are defined and maintained across the value chain. That will involve adding more testing laboratories, improving traceability of crops, disseminating intelligence on export markets and consumer preferences, etc. Our goal is to build a high-quality brand for Nigerian foods based on rigorous data and processes that protect food safety for both domestic and export market consumers.

To ensure that the strategy is executed as intended, FMARD is working closely with states and other federal MDAs e.g. Power, Transportation and Trade. FMARD will also evolve itself to become a more focused policymaker and regulator to ensure accountability for results. FMARD will use its convening and related powers to ensure that the enabling system is in place to support agribusiness. From investments in rural roads to reduce transport time to improved security of farming communities to reduce the incidence of criminality to a reduction in intra-state taxes and levies, FMARD will intensify oversight. That oversight will ensure that farmers and investors are working in a market that is safe, competitive, and capable of enabling wealth creation in the coming years and decades.

Finally, FMARD will periodically publish metrics to track performance against the strategy e.g. tonnage of rice paddy produced, or yields/milking cow. The systems to repeatedly collect accurate data and integrate these into policymaking, as well as investment planning will be refined over the next few months as part of this next wave of reform. We anticipate that if successful, key gaps such as Nigeria's continued imports of rice will disappear, while Nigerian produce e.g. beans and cocoa will once again become a quality benchmark across the globe. Reaching that point will require significant investments in people, processes, and systems. Nigeria is committed to taking the necessary steps in order to move Nigerian agriculture from "a business" to a commercial ecosystem that can produce the capabilities necessary to create sustainable jobs and wealth.

### Challenges and prospects of achieving the Agriculture Promotion Policy

The challenge facing the Nigerian agricultural sector is historical. The period of the colonial administration in Nigeria, 1861-1960, was punctuated by rather ad-hoc attention to agricultural development. During the said era, considerable emphasis was placed on research and extension services. The first notable era was the establishment of a Botanical Research Station in Lagos by Sir Claude McDonald in 1893 (Ayoola, 2009). In 1912, a Department of Agriculture was established in each of the then Southern and Northern Nigeria, though the activities of the department were virtually suspended between 1913 & 1921 as a result of the First World War and its aftermath. It was during this period that West African Institute for Oil Palm Research in Benin was started and the research on cocoa was intensified at Moor Plantation, Owena near Ondo and at Onigambari near Ibadan (Diao, Hazell, and Thurlow, 2006). Achievement of the period include the development of 'Alien Cotton' in the South; rice cultivation in Sokoto, Niger, Ilorin, Abeokuta Colony and Ondo province; and so on (Opinion Nigeria, 2013). Over the years, these institutions have not functioned effectively (Ayoola, 2009).

This trend has the case with several policies and programmes designed tackle the problems of agricultural development in Nigeria. Past policies include the National Accelerated Food Production Programme (NAFPP), the Nigerian Agriculture and Co-operative Bank (NACB), Operation Feed the Nation (OFN), Agricultural Credit Guarantee Scheme Fund (ACGSF), the River Basin Development Authorities (RBDA), the Green Revolution (GR), National Agricultural Land Development Authority (NALDA) and Special Programme for Food Security (SPFS) (Adebayo, 2010) among others. Judging from previous experiences of lag in the implementation of development policies in Nigeria and further assessing the policy framework of the Nigeria Promotion Policy, there are a lot of concerns. These issues are central and must be addressed to ensure the prospects of implementing the policy for the general wellbeing of the Nigerian rural economy.

1. The Nigerian rural economy is still faced with the challenge of subsistent farming. This affects the inability to meet domestic food requirements in rural Nigeria. Although there is a provision for private partnership in this regard, the policy has not stated in clear terms how the vulnerable rural poor will be able to access farming support programmes without collaterals (Ayodele, Obafemi, and Ebong, 2013). Access to support to enhance commercialization by rural farmers has always and still is a challenge in achieving the Nigeria Promotion Policy. Subsistence farming. In addition, mechanization of the agricultural industry is the way out of solving Nigeria's problem. This can be achieved by matching up human input with mechanization, bringing in machinery and increase the scale of production, so that whatever the rural sector produces, it will match the population growth rate.

2. Soil erosion caused by water and wind, a lack of development and the dependence on imported foods all hinder the development of agriculture in Nigeria. The main problem that affects soil fertility is soil erosion (Muhammad-Lawal and Atte, 2006). Wind erosion, in particular, is quite damaging. Over time, strong winds expose seedlings and crop root systems by blowing away loose, fine grain soil particles. Another effect is the accumulation of soil particles in drifts, which can cover crops. Also, wind erosion changes the texture of the soil. The particles responsible for water retention and fertility, such as clay, silt, and organic matter are generally lost, leaving behind a sandy soil (Osagie, 2011).

3. Not all soil in Nigeria is fertile and this requires the use of fertilizes: The problems of agriculture in Nigeria begin with the soil. Most of the farmable land in Nigeria contains soil that is low to medium in productivity. According to the Food and Agriculture Organization of the United Nations (FAO, 2011), with proper management, the soil can achieve medium to good productivity (National Bureau of Statistics, 2012).

4. Lack of water management system. The low-lying floodplains are very fertile during the rainy season, but the lack of rain during the dry season hinders agricultural development. The lack of water management systems in these areas is a concern for many farmers. By adding irrigation canals and access roads to these areas, yearly production yields are expected to increase. A strategic system of water management across the whole country must be adopted. Currently, the government places a lot of emphasis on irrigation systems in the North. This is a lopsided development. It must be made to cover the whole country.

5. Food processing issues also affect the prospects of Agriculture Promotion Policy in Nigeria. It is estimated that about 20-40% of the yearly harvest is lost during processing. The primary cause is the lack of efficient harvesting techniques. Most rural farmers harvest crops by hand, instead of using machines. Also, storage methods are not generally up to standards. Most of the crops are lost to physical damage caused by insects, bacteria, or fungus. Nigeria must adopt modern technology in food storage and rural farmers must be trained accordingly.

6. Nigeria is a net importer of food and this affects the growth of cottage industries. The country does not produce enough food to meet the demand of its people. This produces a lot of problems with regard to agricultural development. Generally, there is less incentive for local farmers to grow local foods when cheaper, more palatable foods are imported. This forces local farmers to reduce prices, which reduces the income generated by the farm. The consequence is decreased farm production. To combat the effects of imported food on development, several initiatives are suggested, including providing farmers with micro-credit that is subsidized and increasing tariffs on imported food.

7. On the whole, a lingering problem of agriculture in Nigeria is a lack of investment and institutional corruption. The government budget for agriculture is not enough to meet the challenges. International aid groups have supplemented the funding of the government, but most of the funds don't reach the local farmer due to corrupt practices experienced by the diversion of such funds for other purposes. While there is an advocacy for increased budgetary allocation in the agricultural sector as well as private sector partnership, corruption must be checked by all means.

# II. CONCLUSION

The importance of agriculture is so numerous, however, the paper as identified few. The Nigerian rural sector depends on a wide range of agricultural products in almost all aspects of life. It is a key economic driver. It is central to individual livelihoods and alleviates poverty. Provider of energy fuel-wood and medical plants, it helps in Nations economic growth. Agriculture is a key to the healthy biosphere; it provides food, which is a key determinant of human health. In general, the contribution of Agriculture sector provides food incremental markets for new products manufactured in the industrial sector, it has contributed immensely on the supply of new materials to other sectors, tax revenue to the Government to provide a Foreign exchange. This justifies the initiative of the Buhari administration through the Federal Ministry of Agriculture & Rural Development to initiate the Agriculture Promotion Policy (Nigeria Opinion, 2013).

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