



# NIGERIA

## UPDATE ON NRDS IMPLEMENTATION

PRESENTED @  
COALITION FOR AFRICAN RICE DEVELOPMENT (CARD) 3<sup>RD</sup> GENERAL MEETING  
BY  
ENGINEER MOSES A. A. ADEWUYI  
HELD @  
ARUSHA, TANZANIA  
MAY 17-18, 2010

# CHRONOLOGY

- **LAUNCHING OF THE NRDS**

- Launched by the Executive Governor and Chief Servant of Niger State , Dr. Mu'azu Babangida Aliyu, OON
- Date: Monday 29<sup>th</sup> March, 2010
- Venue: U. K. Bello Arts Theatre Minna, Niger State
- Well attended by international and domestic stakeholders

- **Participating Development Partners**

- JICA Nigeria
- USAID
- FAO
- Africa Rice Centre
- World Bank
- DFID

- **MID-YEAR STAKE-HOLDERS MEETING**

- June 3, 2010 (tentative)

- **Participating Development Partners**

- JICA Nigeria
- USAID
- FAO
- Africa Rice Centre
- World Bank
- KOICA
- AfDB
- DFID
- IITA
- IFPRI, IFAD, NEPAD Nigeria

# MODALITY OF IMPLEMENTATION

NRDS TF	ACR MCB	ASM MSM	National Food Reserve Agency (NFRA) of Federal Ministry of Agriculture & Rural Development (FMARD), Japanese Int'l Cooperation Agency (JICA), Rice Farmers Association of Nigeria (RIFAN), USAID, DFID, AfDB, Federal Ministry of Commerce & Industries, Federal Ministry of Finance, National Planning Commission, Central Bank of Nigeria, Bank of Industries, Nigerian Agricultural Cooperative & Rural Development Bank, Rice Processors Association of Nigeria (RPAN), Nigerian Customs Services, Presidential Committee on Trade Malpractices
Stats Dept.	HL Indicators	ASM MSM	State Agricultural Development Projects (ADP), National Bureau of Statistics, Central Bank of Nigeria
Government	Project Updates	ASM MSM	NFRA (FMARD), State Agricultural Development Projects (ADP) of the 36 States of the Federation and the Federal Capital Territory (FCT)
Donors	Project Updates	ASM MSM	JICA, World Bank, Food and Agricultural Organisation of the United Nations (FAO), USAID, DFID, Africa Rice Centre, World Food Programme, UNIDO, IFAD
NGOs	Project Updates	ASM MSM	RIFAN, Rice Millers Association of Nigeria (RMAN), Rice Dealers Association, Rice Importers and Distributors of Nigeria, Women-in-Agriculture of Nigeria
Farmers		ASM MSM	RIFAN, Independent Rice Farmers (Small Holders), Independent Commercial Farmers
Commercial Sector		ASM MSM	Rice Processors of Nigeria, Rice Investors under the N10 billion Special Rice Intervention Fund of the Federal Government

# CONSTRAINTS FOR IMPLEMENTATION OF NRDS

1. Funding to meet:
  - a. Infrastructural development e.g. Power, Irrigation Facilities, Feeder/Rural Roads which constitute a problem for year round supply of paddy for the Processing Mills.
  - b. Mechanization of farming operations.
  - c. Acquisition of harvesting and rice processing equipment and infrastructure for delivery of high quality processed rice at competitive prices.
2. Changes in Government policies in the areas of concessions and tariffs.
3. Poor agricultural credit system.
4. Dearth of critical human resource capacity along the value chain to drive the NRDS.
5. Poor input supply linkages
6. Poor market infrastructure

# OVERVIEW OF THE RICE SUB-SECTOR COVERAGE

## Overall Analysis of Rice Projects

<b>Code</b>	<b>Title</b>	<b>Partners</b>
<a href="#"><u>NG-1</u></a>	Developing Agri-inputs Market in Nigeria (DAIMINA)	USAID
<a href="#"><u>NG-2</u></a>	Dissemination of new rice varieties in Nigeria using participatory varietal selection (PVS) approach	Rockefeller / Gatsby
<a href="#"><u>NG-3</u></a>	National Special Programme for Food Security (NSPFS)	<a href="#"><u>AfDB</u></a> / <a href="#"><u>FAO</u></a> / Government of Nigeria (GoN)
<a href="#"><u>NG-4</u></a>	Rice Production, Post-harvest Processing and Marketing Adviser	<a href="#"><u>JICA</u></a>
<a href="#"><u>NG-5</u></a>	Second National Fadama Development Project (Fadama II)	<a href="#"><u>World Bank</u></a>
<a href="#"><u>NG-6</u></a>	Presidential Initiative on Increased Rice Production, Processing and Export	GoN
<a href="#"><u>NG-7</u></a>	Maximizing Agricultural Revenue and Key Enterprises in Targeted Sites (MARKETS)	USAID
<a href="#"><u>NG-8</u></a>	Promoting Pro-Poor Opportunities through Commodity and Service Markets (PrOpCom)	DFID
<a href="#"><u>NG-9</u></a>	Multinational NERICA Rice Dissemination Project	<a href="#"><u>AfDB</u></a>
<a href="#"><u>NG-10</u></a>	Rice Seed Production	<a href="#"><u>AfDB</u></a> / <a href="#"><u>AGRA</u></a>
<a href="#"><u>NG-11</u></a>	National Programme for Food Security (NPFS)	BADEA / IDB / GoN
<a href="#"><u>NG-12</u></a>	Rehabilitation of Small-scale Irrigation Schemes	<a href="#"><u>FAO</u></a> / GoN / China
<a href="#"><u>NG-13</u></a>	Construction of Rice Processing Complex in Nigeria	KOICA
<a href="#"><u>NG-14</u></a>	Rice Processing Intervention Fund	GoN/Private Sector (PPP)
<a href="#"><u>NG-15</u></a>	Breeding for High-yielding Stable Drought Tolerant Rice and Provision of Quality Seeds of Rice for Poor Resource Farmers in Nigeria	<a href="#"><u>AGRA</u></a>
<a href="#"><u>NG-16</u></a>	Targeting Drought-avoidance Root Traits to Enhance Rice Productivity under Water-limited Environments	CGIAR
<a href="#"><u>NG-17</u></a>	Third National Fadama Development Project (Fadama III)	<a href="#"><u>World Bank</u></a>
<a href="#"><u>NG-18</u></a>	Commercial Agricultural Development Project (CADP)	<a href="#"><u>World Bank</u></a>
<a href="#"><u>NG-19</u></a>	The Study on the Development of the Efficient use and Recycling of Water Resources	<a href="#"><u>JIRCAS</u></a>
<a href="#"><u>NG-20</u></a>	Improvement of Drought and Submergence Tolerance of Rice in Africa, including NERICA	<a href="#"><u>JIRCAS</u></a>

# CURRENT SITUATION ON RICE-RELATED INTERVENTIONS

Current Situation on Rice	Policy / institutional	Infrastructure	Human resource capacity	Provision / support	Information / knowledge	Unclassified
Seed	NG11-2; NG15-5,6		NG15-7	NG3-2; NG6-1; NG6-5; NG9-2; NG10; NG17-3; NG14-2	NG15-1,2,3; NG16-1,2,3,4; NG20	
Fertilizer	NG11-2			NG3-2; NG6-1; NG9-2; NG17-3; NG14-2		
Irrigation / water management	NG11-2	NG6-2*; NG11-1; NG12-1	NG12-2			
On-farm technology dissemination		NG3-1	NG8-4; NG8-6; NG8-7; NG9-2; NG18-1	NG6-1; NG17-4	NG2; NG8-6; NG8-7; NG9-1, NG9-5,6; NG15-3,4; NG18-1	
Mechanization			NG8-5; NG12-2		NG8-5	
Quality improvement	NG6-3; NG7-2; NG7-4; NG7-4	NG13-1; NG14-1	NG6-3; NG7-2; NG7-4; NG12-2; NG13-2; NG14-2		NG7-2; NG8-3; NG13-2	
Access to market	NG7-1; NG7-3; NG7-4; NG13-3	NG18-2	NG1-3; NG7-1; NG7-3; NG7-4; NG11-3; NG18-1	NG1-3; NG7-1; NG7-4	NG1-3; NG7-3; NG7-4; NG8-3; NG13-3; NG18-1	
Access to credit			NG11-3	NG14-2		
Overall policy tools	NG1-1; NG7-4; NG8-2; NG1-3; NG8-1; NG11-2	NG5-2	NG1-2; NG8-2; NG9-3; NG11-3; NG12-2; NG17-1; NG5-1; NG5-3	NG5-3; NG14-2	NG4; NG8-6; NG19-1,2,3,4	
Unclassified		NG17-2; NG18-2	NG3-3; NG5-1	NG17-5	NG4	
<b>Out</b>	NG6-4; NG9-4; NG11-4; NG18-3					
Note :	CROP PROTECTION: NG6-1; *Rehabilitation and improvement, no new infrastructure constructed					
LEGEND:	NG1, NG2, NG3, NG4, NG5, NG6, NG7, NG8, NG9, NG10, NG11, NG12, NG13, NG14, NG15, NG16, NG17, NG18, NG19, NG20					

# ANALYSIS

## SUB-SECTOR THAT HAVE HEAVY INTERVENTION

1. Post- Harvest Processing

## SUB-SECTOR WITH POOR INTERVENTION

1. Rice Extension Services
2. Capacity Building
3. Infrastructure
4. Irrigation
5. Agricultural Credit
6. Seed Infrastructure
7. Agro-Chemicals

# AREAS REQUIRING INTERVENTION

## Agro- Processing ( Priority 1 of the NRDS)

Short, Medium,

& Long Term - Provision of equipment/machinery and training.

## Rice Extension Services

Short Term - Training for agricultural extension workers ; and to formalize and strengthen the linkage between the Rice Farmers' Association of Nigeria (RIFAN) and the Federal and State agricultural establishments (e.g. ADPs). RIFAN will be used as an effective channel for disseminating technology to rural farmers.

Medium Term - To reduce extension agent- farmer ratio from the current 1:10,000 to 1:1,000.

Long Term - To develop private sector extension service delivery system and reduce the extension agent- farmer ratio from the current 1:1000 to 1:350.

## Mechanization ( Priority 2 of the NRDS)

Short, Medium,

& Long Term - To provide appropriate machines and equipment for the various stages of rice value chain to reduce drudgery, improve efficiency and quality of the end product.

## Capacity building

Short, Medium,

& Long Term - To provide appropriate training that would ensure creation of critical mass of human resource to drive the rice value chain.



# AREAS REQUIRING INTERVENTION

## Irrigation

- Short Term - To provide small and medium scale irrigation equipment to the farmers, rehabilitate existing irrigation schemes and develop/expand potential irrigable land
- Medium Term - To establish hydro-met stations at project sites for adequate data collection for effective planning and proper management purposes.
- Long Term - To conduct proper environmental impact assessment (EIA) for sustainable development.  
Continue land development until all potential irrigable land has been put under cultivation

## Agricultural Credit

- Short, Medium & Long Term - To increase credit accessibility by increasing the sources, strengthening the capacity of the agric lending institutions and improving the lending terms to obtain a single digit interest rate.

## Seed Infrastructure ( Priority 3 of the NRDS)

- Short Term - Adequate and timely funding for institutions in the seed sector targeted at rice seed development.
- Medium Term - Implementation of existing seed laws and to make the existing mechanism for seed control and certification more functional and efficient, with active involvement of private investors.
- Long Term - Build capacity for seed production (from breeder to certified seed or seed of acceptable quality).

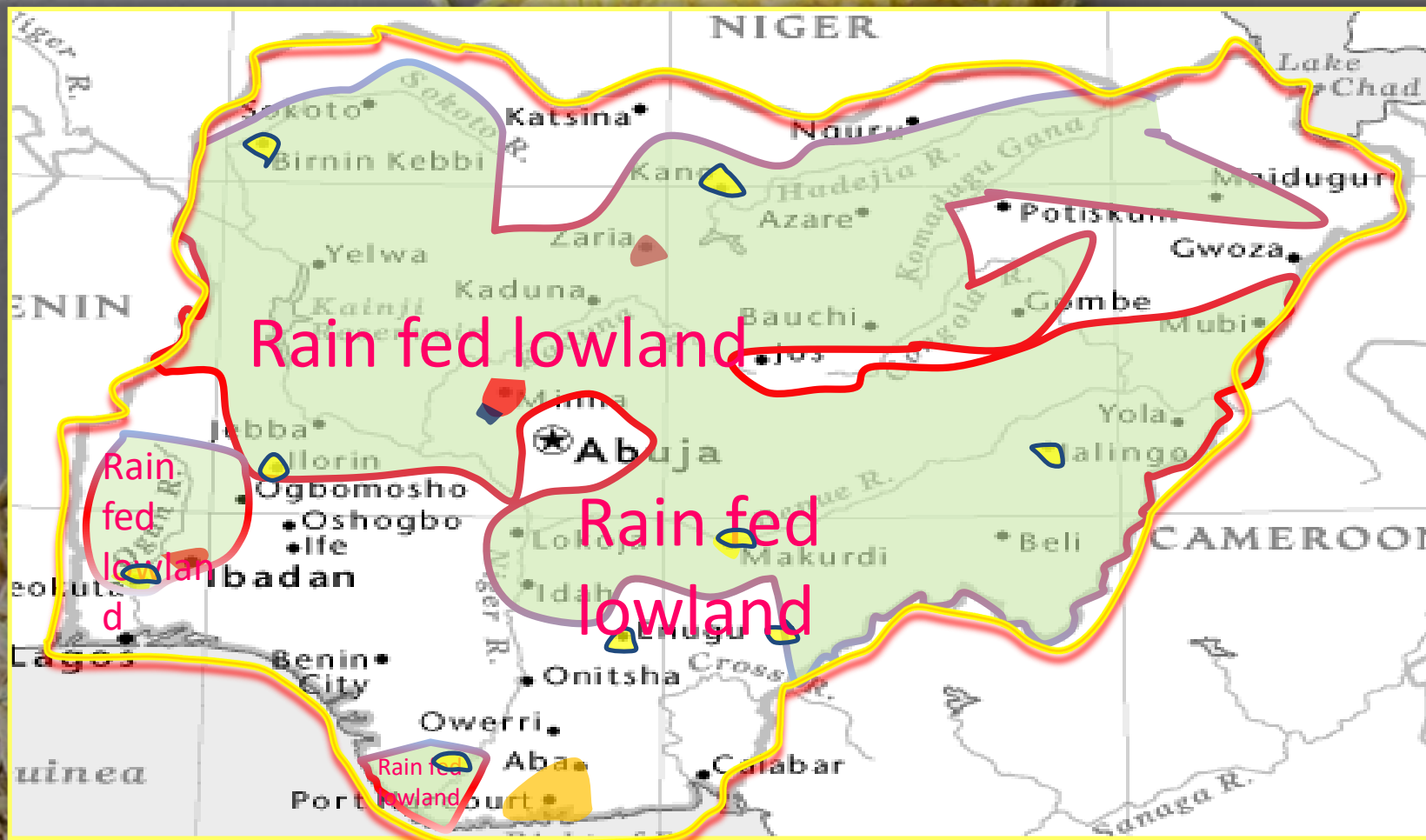
## Agro-Chemicals

- Short Term - Capacity building in proper handling and application for suppliers and farmers ; Availability and accessibility of the appropriate chemicals
- Medium Term - Enacting legislation and laws for proper control of the sector
- Long Term - Build capacity for agro-chemical production in the country

## Infrastructure (This is required to make all the interventions in the other areas effective)

- Short, Medium, & Long Term - To improve infrastructure required across the rice value chain particularly market infrastructure, power, feeder roads and irrigation infrastructure.

# LOCATION MAP



Note: Production, Potential Untapped and Priority areas are all located within the same region, so line colour is used to indicate these areas.

Production	Consumption	Project sites	Priority areas
Potential untapped	Research	Seed distribution facilities	

# NRDS LINKAGE WITH OTHER DEVELOPMENT STRATEGIES

1. Collaboration with the Federal Ministry of Finance on the fixing of benchmark price of imported rice as well as on harmonisation of tariffs to bridge the gap between the polished and brown rice imported into the country which has been the subject of abuse by rice importers.
2. National Programme for Food Security which has the vision of ensuring sustainable access, availability and affordability of quality food to all Nigerians and for Nigeria to be a significant net provider of food to the global community.
  - identified rice as one of the food security and import substitution crops.
  - Planned production increase by 100%.
  - It is also adopting the value chain approach for its planned improvement.
  - Increase irrigation area to rice by 60,000 hectares.
3. Sanitary and phyto-sanitary control strategies of the Nigerian Agricultural Quarantine Services.
4. National Seed Council strategies on the provision of improved seeds (Multinational NERICA Rice Dissemination Project, National Foundation Seed Programme, Community Seed Growers Project).

# CURRENT SITUATION OF THE NRDS

Necessary preparations are being made to start the implementation of the strategies contained in the document which include:

1. Circulation of the document to the national and international stakeholders that would ensure buy-in at all levels and secure funding for the NRDS implementation.

To this end, the following existing Government policies will aid in sustaining the NRDS implementation and also ensure sustainable investment in the future:

1. Provision of 50% and 25% subsidies for seed and other critical inputs for rice production.
2. Promotion of an enhanced investment climate along the rice value chain.
3. Promotion of human capacity building by relevant stakeholders.
4. Provision of the N10 billion Rice Processing Intervention Fund for the establishment of 17 large-scale integrated mills and upgrading of existing ones.
5. Provision for zero tariff on importation of rice processing equipment.
6. Operation of the Guaranteed Minimum Price for paddy to encourage continuous domestic paddy production by Nigerian rice farmers.
7. Warehousing Receipt Bill, when passed, will expand and improve the financing opportunities available to the various actors in the agricultural sector and by extension to the rice value chain players.

# CURRENT SITUATION OF THE NRDS.....cont

Proposals that would address some of the strategies outlined in the NRDS have already been prepared and are at various stages of consideration by the Japanese Government and World Bank.

1. Title: Nigerian Rice Value Chain
  - Development Partner: Japanese Government through the Word Bank
  - Type: Application for grant under the Japan Social Trust Fund
  - Value: US\$3 million
  - Status: Advance stage of consideration
  
2. Title: Human Development Programme (in the rice sector)
  - Development Partner: Japanese Government through the Word Bank
  - Type: Application for grant under the Japan Social Trust Fund
  - Value: US\$15 million
  - Status: About to be submitted for consideration
  
3. Title: Kennedy Round 2 (KR-2) Programme
  - Development Partner: Japanese Government through JICA
  - Type: Grant
  - Value:
  - Status: Advance stage of consideration

# CURRENT SITUATION OF THE NRDS.....cont

In addition, some of the projects currently going on as part of the implementation of the NRDS include establishment of new and reactivation of existing mills under Public Private Partnership (PPP) arrangement.

Establishment of 17 Large-Scale Integrated Rice mills.

- In 12 States within the major production area of the country
- Very few of the mills are at various stages of completion with the final completion date of August, 2010
- Some of the investors have acquired massive land for rice cultivation and are developing their out-grower schemes in line with the NRDS

Niger State: Reactivation of Federal Government-owned Badeggi Rice Mill (30,000 tonnes/annum capacity)

- The mill is being managed by Deanshager Projects Limited, a private Company under a PPP arrangement
- The company has established an out-grower scheme with 3,000 registered rice farmers
- Established a micro finance arrangement for the farmers with one of the top banks in Nigeria, which has opened a branch at the mill.

Anambra State: Reactivation of Federal Government – owned Omor Rice mill (15,000 tonnes/annum processing capacity)

- The mill will be managed by a private rice processing company, Olam Nigeria Ltd, while the ownership structure will include the State Government and the rice farmers in the area to ensure sustainability of its operations.
- The State government will be providing the necessary infrastructure (road, water and electricity ) to ensure the success of the mill
- The Lower Anambra irrigation project, which is located in the area, will be resuscitated to further enhance the project's success and sustainability in line with the NRDS

Ogun State:

- Has incorporated rice development as part of its economic and development strategy in line with the NRDS.
- Identified rice production for deliberate promotion as a poverty alleviation measure.
- Installed one large scale mill (Ofada/Veetee Rice Mill) with capacity of 30,000 tonnes/annum (with potential for expansion to 200,000 tonnes annum) that is being operated under PPP arrangement with veetee Nig. Ltd at Itori/Ewekro area of the state.
- The product from this mill is to be marketed under the Ofada brand which has tremendous traditional and social popularity with consumers in the tickly populated area of Lagos the Southwest zone.

# FUTURE STEPS

1. NRDS TF Meeting to review the action plan for the implementation of the NRDS.
2. Follow- up and review of the work plan for the completion of the 17 large scale Integrated Rice mills currently being established under the N10 billion Special Rice Intervention Fund.
3. Ensure the proper development of the out- grower schemes under the N10 billion Special Rice Intervention Fund.
4. Start the implementation of the 3 projects currently under consideration by the Japanese government upon approval.
5. Continue to shop for intervention for the other poorly supported areas of the rice value chain.

The image features three distinct piles of rice on a light grey surface. At the top center is a pile of bright yellow rice. At the bottom left is a pile of brown rice. At the bottom right is a pile of golden-brown rice. A bright green horizontal bar with white text is superimposed across the middle of the image.

THANK YOU FOR LISTENING