

## Why Nigeria should first support rice farmers before it cuts off imports

By Rahman Akintayo Sanusi

15 Jan 2019

Nigeria spends an average of \$22bn (N7.92trn) each year on <u>food imports</u>. Its major food imports include wheat, sugar and fish.



Rapid urbanisation is one of the reasons that Nigeria's demand for rice is so high. Jeremy Weate/Flickr, <u>CCBY-ND</u>

Another big import, rice, accounts for about <u>US\$1.65 billion</u>, or ₦0.59trn. Most of the country's rice is imported from Thailand and India.

This has led <u>analysts</u> to predict it will be the world's <u>second largest importer</u> of rice after China in 2019.

There are a few reasons that Nigeria's demand for rice is so high. Among them is rapid urbanisation; people who arrive in cities and seek out cheap, nutritious, filling food invariably turn to rice. More traditional coarse grains like sorghum and millet have become less popular over the years. This, according to research, <u>is because</u> rice is "a more convenient and easy staple to prepare compared to other traditional cereals across income levels in the urban areas".

Now Nigeria's government is trying to stem the tide of imported rice. Towards the end of 2018 it <u>announced its intention</u> to halt rice imports entirely. In doing so, it hopes to save a great deal of money. But is this plan realistic?

Unfortunately, it's not. Nigeria's agricultural sector simply isn't equipped to produce the amount of rice to meet demand. It is battling natural and climatic factors, a lack of funding and training for farmers, and a dearth of government support.

To turn this around, the government needs to invest heavily in rice farmers.

## **Barriers**

In theory, Nigeria could be growing most or even all of its own rice. <u>There are</u> 82 million hectares of arable land across the country; five million hectares are suitable for growing rice.

But only about 3.2 million hectares are being used for growing rice; collectively these produce 3.7 metric tonnes per year and that rice meets about 50% of domestic rice demand.

There are a number of issues that Nigeria will need to address in its agricultural and related sectors to improve the situation. This has been outlined in several pieces of research, most recently in <u>a report</u> titled "Incentivising Adoption of Climate-smart Practices in Cereals

Production in Nigeria: Socio-cultural and Economic Diagnosis".

Some are natural factors, among them changing climates, weeds, pests and diseases. These, of course, affect farmers all over the world; the problem is that Nigeria lacks the infrastructure (like irrigation facilities) and planning to mitigate these realities.

Money is another big issue. Rice farmers in Nigeria have <u>limited access</u> to credit facilities. Those who do obtain loans <u>often</u> <u>default</u> on repayments, and are not able to use the money to build their enterprises. Furthermore, rice farming is an expensive business: machinery, seeds, fertilisers and other agro-chemicals cost a great deal of money.

These factors leave many, especially small-scale, rice farmers in Nigeria living below the poverty line.

The country's land tenure system is another barrier to farmers' success. Guaranteed sustainable access to land in Nigeria is mostly by inheritance. Hence, when the initial owner dies, the land is shared among the children of the deceased; thereby breaking, in most cases, vast plantations into pieces. This leaves farmers with small, fragmented spaces in which to try and grow rice.

Nigeria also hasn't invested enough in training farmers. There's a lack of knowledge about how to use pesticides and herbicides; how to handle rice once it's been harvested; and how to market one's produce. And traders are reluctant to go out and purchase produce from rice farms in the country's rural areas, because the state of the roads is so bad.

Mechanisation is rare. This is partly because it costs so much money, and partly because farmers tend to stubbornly stick to the old ways of doing things. The average Nigerian rice farmer depends on rudimentary and time consuming crude tools like hoes, slashers, sickles, axes and rakes for various farm operations.

## Government support

The government could do much more to support rice farmers. It tends to only offer financial support towards the end of rice production season (around August/September), when it's too late to undo the damage caused by poor planting and harvesting practices.

Government regulations are a problem, too. These include high inputs costs such as cost of credit, imported equipment, agrochemicals due to taxes (multiple, legal and illegal taxation), tariffs and duties as well as policy instability (ban, unban) that makes decision making and planning highly uncertain and putting investments at great risk.

Government <u>could do more</u> than offering loans and setting up credit facilities by identifying and involving public-privatepartnership with stakeholders of proven track records in formulating policies that will help the growth of the Nigerian rice sector.

Research institutes and universities also have a role to play. Academics who have been trained in agriculture can help farmers to learn more about the best, most cost-effective and productive methods to improve their businesses.

All of this and more is necessary to ensure that Nigeria's own rice production improves and that the sector grows. Until then, there is no way the country can entirely shut down rice imports – it simply isn't equipped to manage without rice grown elsewhere in the world.

This article is republished from The Conversation under a Creative Commons license. Read the original article.

## ABOUT THE AUTHOR

Rahman Akintayo Sanusi is Reader for the Department of Agricultural Economics and Farm Management, College of Agricultural Management and Rural Development, Federal University of Agriculture, Abeokuta.

For more, visit: https://www.bizcommunity.com