

COMMUNIQUE

OF THE

4TH RICE INVESTMENT FORUM

ORGANIZED BY

NEPAD BUSINESS GROUP NIGERIA

1. PREAMBLE

The 2 days event has the theme and subtheme: **Consolidating Gains in the Rice Sector in Nigeria (Production and Processing)** and *Effective Linkage of Actors and Efforts in the Value Chain for Sustained Self-Sufficiency in Rice Production* respectively.

The event was organized by the NEPAD Business Group Nigeria (NBGN) in conjunction with Federal Ministry of Agriculture & Rural Development (FMARD), NEPAD Nigeria, relevant private sector stakeholders as well as other government and non-government organizations in the rice sector. It was held at the Ladi Kwali Hall, Abuja Sheraton Hotel, from 21-22 November 2018.

Participants from Federal Ministries, the Diplomatic Corps, Ministries, Departments and Agencies (MDAs), research institutions, States and Local Governments, the academia, financial institutions, civil society, international organizations, Non-Government Organizations, community based organizations, the organized private sector, professional bodies, small holder farmers, the media and the general public.

The 4th Nigeria Rice Investment Forum, as in the past series, featured exhibition of rice and rice products at the pre-function space outside the hall. The exhibited products included different varieties of Nigeria processed rice, locally and foreign machines and machineries for rice farming and processing, other rice products, among others. The Opening Ceremony of the event featured a key note address delivered by Chief Audu Ogbeh, the Honorable Minister for Agriculture and Rural Development. The Honorable Minister as well declared the event opened on behalf of President Muhammadu Buhari, *GCFR*. The forum featured 5 plenary sessions comprising of over 20 paper presentations on different sections of the rice

value chain. All the sessions enjoyed extensive interactions with the participants with respect to questions and answers and comments.

2. OPENING CEREMONY

- Welcome Address

The well attended opening ceremony kick-started with the National Anthem and a Welcome Address by Chief Dr. Nike Akande CON. the Chairman of the NEPAD Business Group Nigeria. The Chairman stated that the Nigeria Rice Investment Forum series is one of the initiatives of the NEPAD Business Group Nigeria (NBGN) to further the lofty objectives of the New Partnership for African Development (NEPAD) economic initiative.

- The Chairman also stated that the first edition of the Nigeria Rice Investment Forum series was held in 2008 and it has become part of the success story in the nation's rice sector.
- The forum among others intends to look at the poor coordination among key actors in the rice value chain.
- She highlighted the challenges facing the rice sector in Nigeria to include, high price of Nigeria processed rice, smuggling of foreign rice, high price of milling equipment etc.

-Keynote Address

The Keynote Address was on the theme of the forum "*Consolidating Gains in the Rice Sector in Nigeria*" and was delivered by the Honourable Minister of Agriculture and Rural Development, Chief Audu Ogbeh. Chief Ogbeh attended in his capacity as the Honorable Minister of Agriculture and delivered a speech from the President of the Federal Republic of Nigeria.

The Honorable Minister expressed delight that NEPAD Business Group Nigeria had brought key actors together to chart a way forward for rice production. He spoke about the ills of importation of rice. He said importation has transferred our commonwealth to foreigners. The Minister spotlighted the Anchor Borrowers Program which has crashed interest rates to 9% because farmers now deal directly with the Central

Bank of Nigeria (CBN). Consequently, the number of farmers has increased greatly. He later urged the farmers not to destroy their rice straws, because the Government has concluded plans to convert them into feed for cows. These and other strategies put together will lead to positive growth in the nation's economy.

He also informed the Forum that the Government had concluded plans to privatize the Bank of Agriculture Ltd. (BOA). This will put the farmers in the driving seat as 40% of the equity would be reserved for them.

He later spotlighted the challenges in the rice sector to include:

- Floods; but stated that the Government is making moves for the drainage and desilting of rivers.
- Smuggling is also an issue, of which the Customs Service is trying their best to evolve better strategies to counter the smugglers.

He concluded with words of gratitude for NEPAD Business Group Nigeria on the Nigeria Rice Investment Forum series and other interventions in the nation's economy.

- ***Goodwill messages***

Goodwill messages were delivered by major stakeholders and partners including:

- **ECOWAS Commission:** the President of the ECOWAS Commission Mr. Jean-Claude KassiBrou, was represented by Mr. Allain Sy Traore, Director of Agriculture, who was also represented by Dr. Boladale Adebawale, Rice Policy Advisor. The Commission congratulated NBSN on the forum and charted some of the gains in Rice within the sub-region spearheaded by ECOWAS to make the region self-sufficient by the year 2025 through the Rice offensive programme. The rice offensive is a key mechanism put in place to achieve zero hunger in West Africa. It aims at revamping rice production and completely streamlining the sector.

She equally mentioned the collaboration between ECOWAS and Competitive African Rice Initiative (CARI) program with respect to improvement of the livelihoods of rice farmers in the sub-region. CARI commissioned by the German Ministry for Economic Cooperation and Development (BMZ) and co-financed by the Bill and

Melinda gates Foundation is implemented in Burkina Faso, Ghana, Nigeria and Tanzania.

- **Mr. Goodie Ibru OON:** the pioneer Chairman, NBGN and Vice President, African Business Roundtable (ABR), West Africa, delivered his goodwill message through his representative, Mr. Akpofure Ibru. He expressed his delight to be part of the forum. He stated that the future of Nigeria and Africa at large is Agriculture and this forum is most welcome to assist in boosting the country's economy.
- **Chief (Mrs.) Eniola Fadayomi MFR:** Vice Chairman, NEPAD Business Group appreciated both participants and organizers. She emphasized that NEPAD is all about the socio-economic growth of the nation. She therefore canvassed for the transformation of the agriculture sector for food security and self-sufficiency. She equally charged that all hands must be on deck with respect to adequate investments in the rice sector.
- **Rice Farmers Association of Nigeria (RIFAN):** spoke through its President, Alhaji Aminu Goroyo, who was ably represented by Alhaji Iliyasu Awodi. The President assured the forum that RIFAN will not only make sure that rice production sustains the nation but as well also be in excess for the purpose of exportation. He later chronicled the achievements of RIFAN through the synergies between the actors and government and particularly lauded the Anchor Borrowers Programme.
- **Alhaji Bamanga Tukur, CON:** the Chairman NEPAD Business Group Africa, delivered his goodwill message through his representative Mr. Dotun Ajayi, Executive Director, ABR, West Africa. Alhaji Tukur appreciated the government over the reduction of food prices but also prayed that the government should push more aggressively for increase in food commodities and products for export. He equally advocated that, government should create a special fund for NBGN in recognition of its consistent engagement and contribution to the rice value chain development. According to him, this will enable NBGN to intervene further and directly with the actors in the rice value chain, especially the rural players.

The Opening Session came to a close with the declaration of the 4th Nigeria Rice Investment open by the Honorable Minister of Agriculture, after which

he led other dignitaries present and the delegates to visit the exhibition stands outside the hall.

3. PLENARY SESSIONS

- a. **The Plenary Session (i) (ii) (iii):** the 3 plenary sessions were combined together and it featured a total of eight (8) papers on various issues across the rice value chain. The session was chaired by Mr. Godson Ononiwu, an Agriculture Expert and a Publisher of Agricultural and Rural Development magazine.

The themes and the papers presented at the sessions are as listed below:

Plenary Session I: Sustaining Production & Productivity in Nigeria

Papers:

- Anchor Borrowers Programme (ABP): the Success story in Rice Production in Nigeria. – *Central Bank of Nigeria (CBN)*
- Harmonizing the Government Agriculture Policies for the RICE Sector at Different Levels of Government. – *AfricaRice Centre.*
- The Critical Role of Nigeria Rice Farmers in the sustenance of Production and Self-sufficiency. – *Rice farmers association of Nigeria (RIFAN)*

Plenary Session II: Sustaining Production with Right Practices & Technologies

Papers:

- Mechanized Rice farming in Nigeria: Adaptation of Machineries and Technology as the Best way Out. – *National Centre for Agricultural Mechanization, Ilorin (NCAM)*
- Status of SON Paddy Grading Standard and Paddy Grading Methods. – *Standards Organization of Nigeria (SON)*
- The Imperativeness of Improved hybrids, Varieties and Foundation Seeds to Sustained Production and Self-sufficiency. – *National Cereals Research Institute Badeggi (NCRI)*

Plenary Session III: Sustaining Production through Adequate development of the Nigeria Rice Value Chain

Papers:

- Product Diversification and Development of High Value Products from Rice. – *Dr. Chijioke Osuji, Post-Harvest Expert/Consultant*
- Rice Fortification: Making Rice More Nutritious Post Harvesting. – *Mr. Arnold Kawuba, Manager, Partner Engagement, DSM Nutritional Products Europe Ltd.*

The key outcomes:

- i. The gains of Anchor Borrowers Program were highlighted including its spread to all the 36 states and FCT. Furthermore, the scheme has recorded 687,492 approved rice farmers, 117.58billion disbursed for rice (71.7% of total disbursements) and also over 608,633 hectares (69.7% of area cultivated under the programme).
- ii. The Nigerian Industrial Standard (NIS) for paddy rice has been approved by the Standards Council since 2017. This would aid the push for exportation of Nigeria rice.
- iii. The Government was encouraged to identify and encourage large rice plantations and work directly with them for quick wins. Dry season farming should also be strengthened. Flood control measures and drainage of rivers must be in place to stem paddy losses to flooding.
- iv. RIFAN currently has over 12million registered farmers and continues to focus on its target which is to ensure that the price of paddy drops significantly. Its constraints include the low level of education among farmers and the need for more extension workers.
- v. The development of appropriate mechanization technologies for Nigeria Agriculture was also highlighted. National Centre for Agricultural Mechanization Ilorin (NCAM), through adaptive and innovative research efforts have developed some small to medium scale agro-processing equipment that will help in reducing to the barest minimum the drudgery associated with post- harvest operations in the local rice industry.
- vi. NCRI stated some strategies for achieving self-sufficiency in rice to include distribution of certified seeds of improved rice varieties to farmers, establishment of a National Seed Fund. Supporting

the distribution of improved seed, and accelerating the production and distribution of hybrids suited to agro-ecology zones, among others.

- vii. Diversification and Development of High Value Products from rice was mentioned as appropriate strategy to boost demand and sustain production of rice in the country. Approximately, 80% of rice consumed in Nigeria is parboiled rice. However, parboiled rice is often under threat of price fluctuations caused by politically motivated import waivers and smuggling. Diversification into other high value products will ensure that farmers continue to sell irrespective of price fluctuations. In other words processors will continue to take off their paddy even when parboiled rice does not seem to be doing well pricewise.
- viii. Other high value products from rice were identified to include: rice glue, laundry starch, breakfast cereal, bran, rice bran oil, rice husks, rice straw, rice flour, and husk ash.
- ix. Rice Fortification makes rice more nutritious due as it replaces loss nutrients from processing and other post-harvest handling. DSM Nutritional Products Europe Ltd. in its presentation on rice fortification, made clear the meaning and reason behind fortification of rice. Fortification is the addition of small quantities of essential vitamins and minerals during processing of commonly consumed foods like rice, wheat flour, sugar etc. Rice alone is not too good for the body system because going through the production process it must have lost a lot of nutrients. But adoption of fortification will solve micronutrient deficiencies. It will as well improve health and cognitive development, bring about economic growth and reduce illegal importation of rice.

- b. **Plenary Sessions (iv) & (v):** the second day featured only 2 plenary sessions with the themes: “*Supporting the Smallholders and Rural Actors of the Nigerian Rice Value Chain for Sustained Production*” and “*Adequate and Effective Financing of the Rice Value Chain for Sustained Production*”.

The 2 plenary Sessions were equally combined and Chaired by Mr. Godson Ononiwu.

The papers presented at the sessions are as listed below:

Plenary Session IV: Supporting the Smallholders & Rural Actors of the Nigeria Rice value Chain for Sustained Production.

Papers:

- Supporting the Rural actors in the Rice Sector: Silent Revolution from BATNF. – *British American Tobacco Nigeria Foundation (BATNF)*
- Improved Parboiling Technology in Nigeria: Successes, Lessons Learn and Challenges. – *Japanese International Cooperation Agency (JICA)*

Plenary Session V: Adequate and Effective Financing of the Rice Value Chain for Sustained Production.

Papers:

- Financing the Rice Value Chain: Increasing the Involvements of Commercial Bank. – *Lois Sankey, Head Agric Finance, Diamond Bank Plc*
- Financing the Rice Value Chain: Experience of Unity Bank Plc. – *Mr. Tony Owolewa, Head, Agric Finance Unit.*
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The key outcomes:

- i. In Nigeria, rice production has been accorded high priority by the government in the past 7years, and significant progress has been recorded. Rice production in Nigeria has reached a peak of 3.7million tonnes in 2017.
- ii. More than 80% of the Nigerian rice is produced by small scale farmers while the remaining 20% is produced by commercial

farmers. Furthermore, in the past 5 years, rice imports have greatly declined.

- iii. The growth recorded in rice production has been facilitated by Government policies towards achieving self-sufficiency in rice production.
- iv. The CBN through the Anchor Borrower's program has made funds available to rice farmers at affordable rates.
- v. JICA has introduced a post-harvest processing technique to aid local farmers and has embarked on training and extension services to that effect. Specifically, JICA has also developed a false-bottom parboiled technology, which is adaptable to the rural actors, to reduce paddy loss during parboiling. The method also improves the quality of paddy and eventual rice produced. JICA has continued disseminating the method. Effective adoption however remains the great a big challenge.
- vi. A lot have been put into financing farmers but access is very difficult if not impossible because a lot of farmers don't meet the requirement and are unable to appreciate the financing requirements.
- vii. The commercial banks present attempted to educate the forum about how to access loans and the conditions attached.
- viii. Continued education of farmers was advocated as the solution to the long term challenges of dry season farming.

c. **Other outcomes emerging from interactive session:**

- i. Most Farmers are not aware of the loans and financial products. The issue of proposals must be addressed because most of them are not educated enough to draft those business proposals. Engagement of consultants was suggested in this respect.
- ii. Farmers need to be re-oriented to see themselves as business men (Agropreneurs). They need to undergo training so as to be able to keep well-managed business books to enhance their businesses.
- iii. Documentation is one of the major factor that delay the approval of a loan. Once all document are submitted time begins to count.

iv. A lot of loan financing is going round the country to farmer but the problem is the fact that most farmers don't meet the loan requirement set out by the CBN.

4. **Closing Remarks:** Mrs. Lola Alonge, a member of NBGN Board, while giving the close remarks, congratulated all participant of the forum. She also prayed for more success stories in the rice value chain.
5. **Rapporteurs Summary:** Marx Ikongbeh Esq., Principal of Everlaw Associates (Legal Service Providers), the official Rapporteurs delivered a summary of the rapporteurs report, highlighting a few of the key take-aways from the Forum and promised that the comprehensive report will be circulated in due course.
6. **Vote of Thanks:** Mr. Dosumu Oluwole the Executive Secretary/CEO, NEPAD Business Group Nigeria (NBGN), brought the Forum to a close with a vote of thanks. He expressed his appreciation to all who graced the occasion and used the occasion to discuss strategies and ways to consolidate the gains in the rice sector for sustenance. He acknowledged the support of all Organizations, Agencies, Financial Institutions, and Ministries. According to the CEO, the planning for the 5th Nigeria Rice Investment Forum has commenced naturally with the closing of the 4th edition. In this respect, the NEPAD Business Group Nigeria is open for suggestions and other inputs to enhance a better and more impactful Forum.
7. **Lunch and Departures:** participants were later guided to the venue of the lunch from where they departed to their various destinations.