

Private Sector and Input Supply in Nigeria: Notore's Perspective

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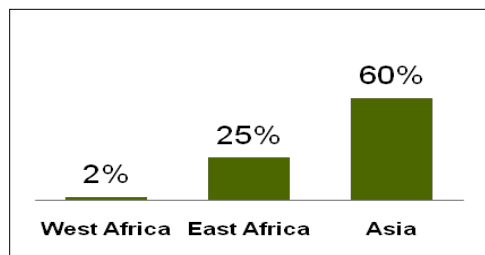
Head, Marketing and Business Development

Notore

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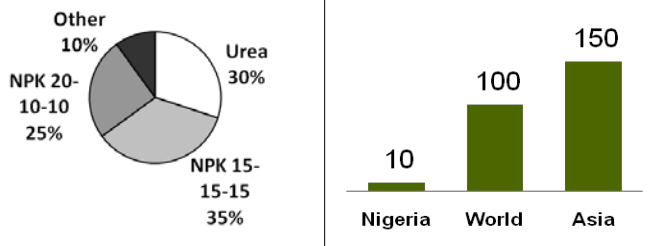
The Farm Input Supply Problem in Nigeria

Improved Seeds



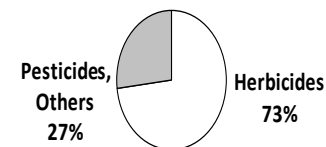
- Low production <5000mt/year
- Prevalence of quality issues
- Lowest Adoption Rates
- 80% Sales through Govt
- Very limited marketing

Fertilizer



- Inappropriate products and pack sizes
- Only one local manufacturer
- Poor distribution and Limited Marketing
- Distortion of Market Price by subsidies
- Poor Quality Bulk Blends, Short Weight
- Poor Availability in Season

Crop Protection Products (CPP)

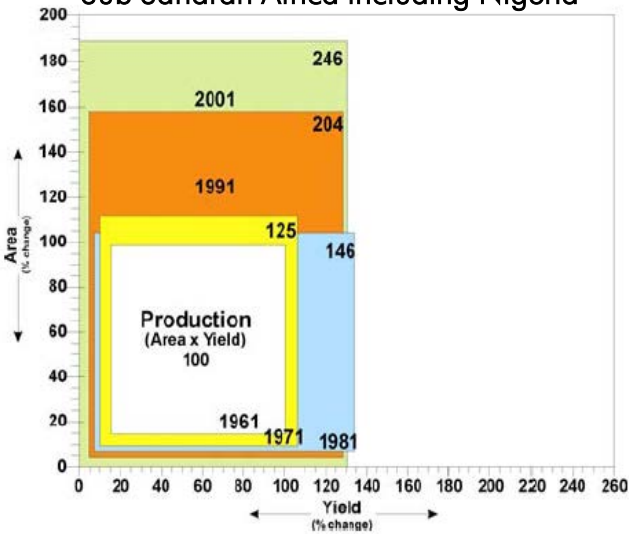


- Deregulated with numerous players
- Active distribution network
- Available in most regions with small table top retailers
- Very limited marketing due to limited scale of companies



The Result...

Unsustainable Growth in Productivity
Sub Saharan Africa including Nigeria

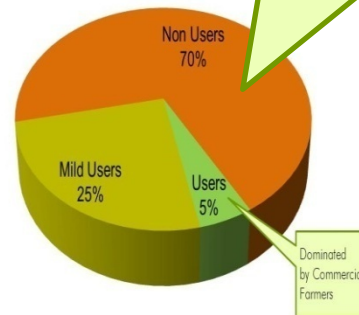


1960 vs. Today

- Outside Africa: 25% more food:
In SSA: **10% less food**
- No more virgin land for farm expansion

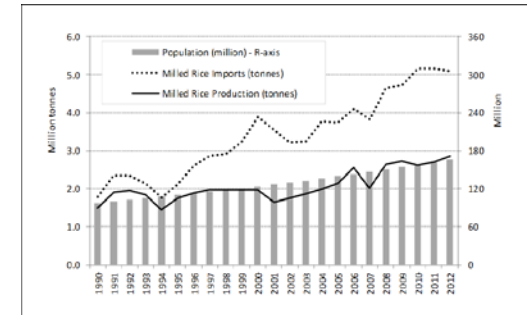
Farming dominated by subsistent smallholders

• Mainly smallholders
Produces 95% of the nation's agricultural output



- Farmer Ignorance
- Poor access to markets
- Access to Finance
- Risk of weather
- Land tenure systems

Net Importer of food and agriculture non-attractive



- 2+ million MT rice import
- Wheat, sugars and several other commodities
- Collapse of most agro-allied industries following their being non-competitive
- Average age in farming well over 55

Reversing the negative trend..





Private Sector Actions Required in Input Production

- Increased production of appropriate fertilizers and seed
 - Crop specific product
 - Packaging consistent with smallholders buying power
 - Attention to quality of products

Notore's action

- Increasing fertilizer production capacity
- Introducing crop specific blends
- Launched Notore seeds with improved rice and maize seeds
- Presenting products in small pack sizes (1 & 10kg)
- Very strong emphasis on product quality

Private Sector Actions Required in Input Distribution

- A robust structure that reaches farmers with inputs
 - Reduced supply chain costs
 - Proximity to farmers location
 - Delivering product in a timely fashion
 - Financially and socially sustainable

Notore's action

- Built a direct to retail distribution structure
- Operates a pan-Nigeria pricing structure thus reducing market distortions
- Has a significantly controlled channel to maintain quality of product and services

Private Sector Actions Required in Promoting Input adoption and appropriate use

- Educating smallholder farmers in improved farming practices
 - Yield improving agronomic practices
 - Efficient farm input use approaches
 - Farm business management skills

Notore's action

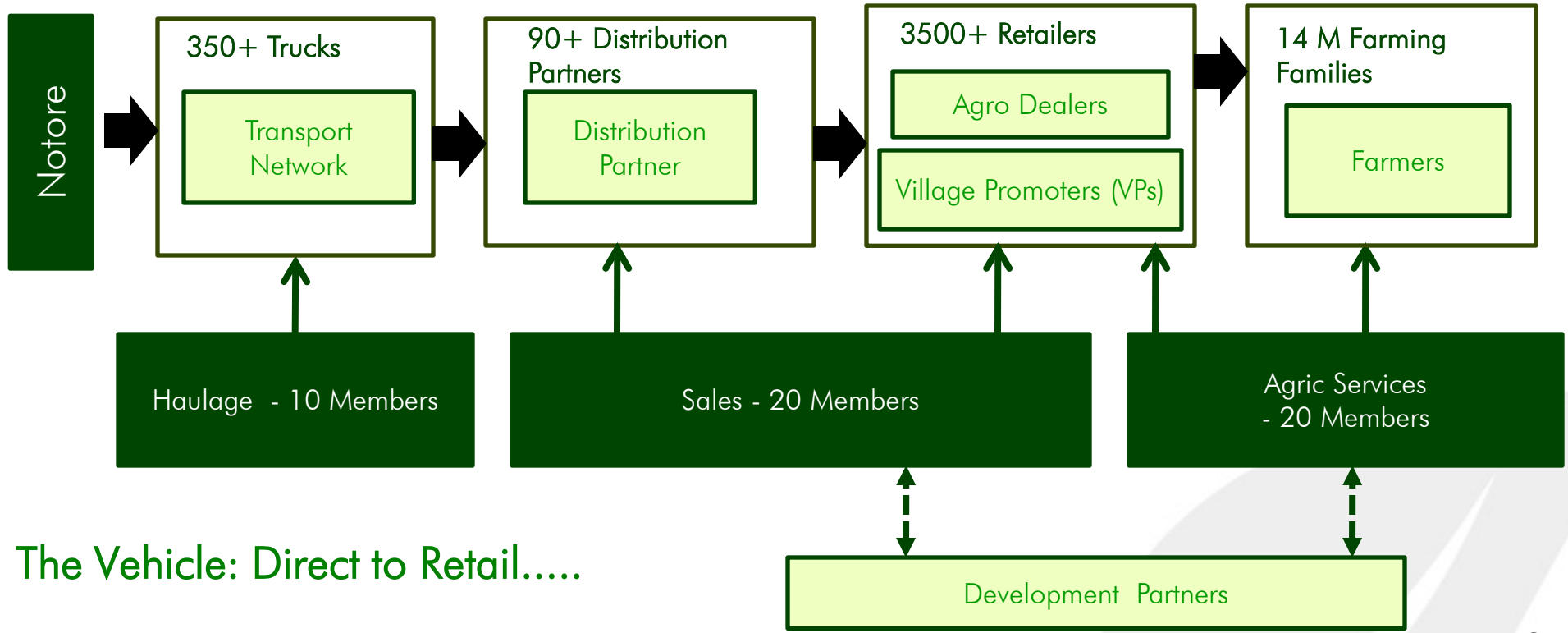
- Developed a 3000+ strong private extension service providers – Village Promoters (VPs)
- VPs educate farmers in improved farming practices, farm input use and farm business management skills
- Reaching more farmers through video and radio education



An Integrated Vehicle Reaching Poor Farmers and helping Improve their Lives

- Objectives of the Vehicle.....
- Educate farmers on inputs
 - Give farmers access to appropriate inputs
 - Fertilizers, Seeds
 - Reduce supply chain costs

- Delivering.....
- Innovative education
 - Private extension-led Demos, Videos, radio
 - Appropriate pack sizes: 10kg, 1kg, USG



The Vehicle: Direct to Retail.....

Summary of results...

Farmers Reached:

- **1.8 million farmers** reached through demo plots and field days and market storms
- Rural dwellers in over **2500 communities** in 30 states granted access to fertilizer in appropriate pack sizes

Employment generation (outside our employees)

- **2400** private sector extension personnel (**Village Promoters**)
- Over **1700 staff** employed by **Distribution** channel
- Over **450** employees into **transport** network

The outcome of the our latest assessment.....

Table 13: Number of Good Agricultural Practices (GAPs) Taught SHFs

State	Number of Good Agricultural Practices (GAPs) Learnt by Farmers in Northern Nigeria				
	None	One-GAP	Two-GAPs	Three-GAPs	Four-GAPs
Adamawa	260(74.71)	3(0.86)	45(12.93)	32(9.20)	8(2.30)
Bauchi	241(48.20)	159(31.80)	93(18.60)	7(1.40)	-
Jigawa	348(91.58)	26(6.84)	3(0.79)	3(0.79)	-
Kaduna	257(49.33)	30(5.76)	80(15.36)	154(29.56)	-
Kwara	339(100)	-	-	-	-
Niger	213(47.33)	2(0.44)	118(26.22)	93(20.67)	24(5.33)
Zamfara	320(72.89)	11(2.51)	43(9.79)	64(14.58)	1(0.23)
Northern Nigeria	1978(66.44)	231(7.76)	382(12.83)	353(11.86)	33(1.11)

Source: Field Survey, November 2012. Figures outside parenthesis are counts and figures in parenthesis are %

33.56% of farmers in survey learnt at least 1 better farming practice from Notore.....

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