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

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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

Herbicides 73%
Pesticides, Others 27%
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

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 smaller 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

350+ Trucks
Transport Network
Haulage - 10 Members

90+ Distribution Partners
Distribution Partner
Sales - 20 Members

3500+ Retailers
Agro Dealers
Village Promoters (VPs)

14 M Farming Families
Farmers

Agric Services
- 20 Members

The Vehicle: Direct to Retail.....

Development Partners
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

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

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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