In the interest of Nigeria's agriculture

By Femi Odulana

FROM the North to the South, and from the East to the West, Nigeria is a nation blessed and endowed with enormous natural resources: vast hectares of lush arable lands for crop cultivation and livestock breeding; miles of flowing rivers and in the South, the resourceful Atlantic Ocean with a rich variety of wild fishes. These are the kinds of natural endowments that most countries in the world envy. However, as a nation so mightily blessed and endowed with mammoth natural resources, we have dropped the ball by not investing in full-blown agribusiness with huge benefits that would have propelled our nation's economy into the stratosphere. Full-blown agribusiness includes crop cultivation; poultry and livestock; fishing and aquaculture; flowers and gardens; inputs; equipment; storage facility; credit facility; and crop, flood and price-drop insurance protection.

Over the years, and despite the supplemental infusion of foreign aid into the agric sector by international donors, there are not enough transformational successes to boast about Nigeria's agriculture. The reasons include: lack of visionary leadership; incompetence; waste of public funds by federal, state and local governments; inadequate monitoring of public and donor funds; a complete absence of project follow-through; inefficiency; and lack of a strong commitment to find a sustainable way to provide small-scale rural farmers access to seeds, fertilizer, small-scale irrigation and credit for purchase of seeds and fertilizer.

Equally perennial is the lack of long-term investments in agriculture and its related infrastructure (such as decent roads to move crops to market, storage facilities for preserving harvest, and silos for storing grains and seeds). The near inexistence of crop insurance to protect from drought, flood and bumper yields that cause prices of farm produce to fall sharply; corruption; and a propensity to divert public funds and resources into private use. Without doubt, our attitude as a nation regarding agriculture must change if a comprehensive agribusiness revolution is to be achieved.

However, there is hope for a quick recovery. The most promising way out is the use of a continuum of public-private partnerships to fast-track agriculture. No other tier of government is better suited for this than the States. But to achieve this, individual states must evaluate their peculiar circumstances in agriculture and re-invent themselves in order to prepare for the next big opportunities in agribusiness and expansion into new market frontiers.

One would ask, is this doable in Nigeria? The answer is a resounding yes! Because certain states like Kwara, Nassarawa, Kaduna, Niger, Ogun, Akwa Ibom, and a few others are already taking on the challenge of partnering with the private sector. However, the Kwara example deserves mention as it provides a clear example of the good fortune that a carefully articulated agricultural development model can bring to a government. The state brought in and rehabilitated some Zimbabwean commercial farmers; provided an enabling environment for other private-sector players in agribusiness; and still has a well-articulated, agro-centered vision, including development plans and strategies for agriculture.

On the other hand, the example of Kwara State is not the only workable blueprint for achieving remarkable success in agriculture. Other states with limited financial resources but enormous arable land for agriculture, and most importantly visionary leadership may be encouraged to grow their agribusiness sector after securing foreign investments for the sector, as well as guaranteed agricultural export trades with interested countries, investors and other parties. In this regard, the Middle East, particularly Gulf countries--Saudi Arabia, the United Arab Emirate (UAE), Bahrain, Kuwait, Oman and Qatar--and businesses can present such opportunities.

Here are some vital statistics that support this claim: The Middle East imports 60 percent and 50 percent of its meat and fish consumption respectively; and surpasses Europe in poultry import by 76 percent (806,000 tonnes versus 457,000 tonnes for Europe). Its annual food import is over 20 billion U.S. dollars, including 12 billion and 4 billion U.S. dollars for Saudi Arabia and UAE respectively. Consider the United Arab Emirate: a small country that attracts about 15 million visitors annually to Dubai, its trade, commerce and financial capital; and to a great extent relies on import of 85 percent of its consumables annually, to satisfy the demands of its population of 4.5 million, of which about 80 percent are foreigners.

With Gulf countries and businesses demonstrating a newfound disposition for direct farm investment to cater for their local agro commodity needs, Sub-Saharan Africa has been identified as a source of growing and/or producing their imported food. Nigeria's position in the matrix cannot be overemphasized. However, necessary preparations must be made if the task of growing the agricultural sector is to be achieved. Activities must, and quite feverishly too, begin to play out at the sub-national level.

Undoubtedly, lucrative deals on agricultural export trades can be secured by states in Nigeria at an upcoming event in Dubai. AGRAME 2009 in Dubai from March 30 through April 1, 2009 presents an opportunity for Middle East investment in agribusiness in Nigeria. It is the biggest agric-business expo in the Middle East covering livestock, fisheries, crop cultivation, agric inputs and equipment. The event is a platform for showcasing international best practices in agriculture and it will afford participating stakeholders, especially in the public and private sectors, the opportunity to grow their businesses, as well as expand into new market frontiers.

In recognition of Nigeria's enormous potentials in agriculture, the organizers of this year's event have for the first time designated a national pavilion for Nigeria. As a result, and working in collaboration with the Federal Ministry of Agriculture and key state governments, two Nigerian entities, Global Corp. Ltd. and AgroNigeria are putting together an official delegation comprising key public and private sector players to interface with the Gulf agribusiness interests at AGRAME 2009. AGRAME provides a golden opportunity for Nigeria's public and private sector to make their agribusiness cases to potential investors and buyers in the Middle East.

Investors in the Middle East are eager to invest in developing countries, such as Nigeria, especially in direct farm production. For example, Saudi Arabia recently invested 3 billion U.S. dollars in Pakistan's farmlands. One may ask why the hype about agriculture when it is common knowledge that the Gulf states are also investing in real estate, as confirmed by a recent 500 million US dollars real estate investment in Nigeria by EMBRAN, a construction firm in the United Arab Emirate (UAE) in which the firm, acting in concert with the Real Estate Developers Association of Nigeria (REDAN), will build 100,000 houses in Nigeria? The discerning mind will be quick to respond by noting that the agricultural sector is Nigeria's transformation vehicle and any investment in the sector will positively impact the national economy and the standard of living of Nigerians, particularly those that earn their living from agriculture.

Undoubtedly, the EMBRAN investment is just the beginning of potentially massive investments in Nigeria by investors from the Gulf States who are also eager to invest in agricultural development in Nigeria, although with reciprocating benefits.

Odulana is International Editor of AgroNigeria Magazine and a member of its Editorial Board.