

THE ROLE OF INTERNATIONAL PARTNERSHIPS IN AGRICULTURAL DEVELOPMENT IN NIGERIA

Abdullahi Labo

Department of Sociology
Ahmadu Bello University, Zaria, Nigeria

Abstract

Finance and human capital, have constituted key challenges to agriculture and development in Nigeria. The difficulties involved in sourcing for these critical requirements have made it imperative for Nigeria to partner with wide variety of international organisations to meet its goals and development agendas. Therefore, since 1960 with the attainment of sovereignty, Nigeria has rightly found it necessary to reach out to nations and organisations across the globe to acquire critical support in development finance especially those dealing with agriculture. From the results of these associations, it is obvious that Nigeria has benefitted immensely through accessing projects in many areas. This has occurred in spite of challenges many partners had to endure in relation to meagre resources due to difficult global economic tides. This paper highlights and documents some of the partnerships Nigeria has gone into in agriculture and some of the results associated with it.

Keywords: *Agriculture, Development, International Partnership*

Background to the Study/Problem

Two of the major challenges facing Africa in its developmental agenda are finance and human capital. Since it is often difficult to source these ingredients of development locally, most developing economies turn to the industrialized societies of the international community. Financial and technical support are often sought and received through bilateral and multilateral arrangements involving collaborating countries and agencies. One of the eight international development goals (MDGs) of the United Nations is developing a global partnership for development. This factor has always come in the front burner where global sustainable development issues are discussed. Nigeria's agricultural development cannot be effectively executed without a strong international partnership arrangement (vision 2020: 2008). The funding and technical backstopping needed to carry development projects to term are often sourced from countries and specialized agencies of the international community. Several of such development partners have featured in Nigeria's agricultural development agenda. In the discussion that follows, an attempt is made to highlight and document the roles of these organizations in the agriculture sector. These includes the African development Bank, Alliance for Green Revolution UK base DFID, the FAO, IFAD, and Islamic Development Bank.

Methodology

This article derives its data from secondary sources of information. Key documents containing reports, speeches and scholarly views were identified, sorted, and put to use by the author. These documents were identified in libraries and also on the web. These used documents were duly acknowledged at the end of the work in form of references.

African Development Bank

The African Development Bank (AfDB) is a development bank established to provide loans and grants to African governments and private companies investing in the regional member countries (RMC) in Africa. It is owned and funded by member governments, and has a public-interest mandate to reduce poverty and promote sustainable development. The Bank has four main functions: makes loans and equity investments for the economic and social advancement of the RMC; provides technical assistance for the preparation and execution of development projects and programs: promotes investment of public and private capital for development purposes and assists in coordinating development policies and plans of RMCs (FMAWR: 2008). The AfDB is also required to give special attention to national and multinational projects and programs which promote regional integration. The largest share of AfDB lending goes to infrastructure projects, followed by multi-sector operations, which are usually loans for various policy reforms or general budget support for a government. The Bank is currently supporting some key agricultural and rural project such as the CBARDP and support for rural institutions.

Africa Development Bank Community-Based Agriculture and Rural Development Project-(CBARDP)

The project aims to contribute to the food security and increased access to rural infrastructure facilities in the project area (Adamawa, Bauchi, Gombe, Kaduna and Kwara) and commenced in December, 2005 with the active collaboration of the three tiers of government (federal, state and local), the program, which is estimated to benefit at least 1.6 million rural poor of whom more than 60% will be women, aims to reduce poverty through the improvement of the livelihoods and living conditions of the rural poor and to contribute to food security and increased access to rural infrastructural facilities. The program has four components namely:

- I. Capacity Building to enable households to collectively undertake activities of mutual benefit and providing an enabling institutional framework by developing the capacities of local and state government officials;
- II. Production Development, by which support will be provided in extension and adaptive research to enhance and sustain the productivity of the land as well as to improve marketing;
- III. Community Development, which will support staff from the LGCs in improving the social and rural infrastructure demanded by the rural poor and
- IV. Project Management and Co-ordination (FMAWR, 2008)

The following achievements were recorded by NAFRA:

- I. Training guide for the conduct of the CDO foundation training was prepared in March 2009 and issued to all stakeholders.
- II. 4nos Project quarterly interactive meetings between the PSO Management and PIUs staff were held.
- III. Rehabilitation, construction and establishment of water points, health education centres, access roads and communal post harvest storage centres were carried out in the communities.
- IV. Training was organised for Community-Based Organizations (CBOs), officials of Local Government Councils (LGCs). and the respective States' Ministry of Local Government (SMoLG) on Community Driven Development (CDD).
- V. Inspection/supervision visits were carried out to ascertain the performance of crops and livestock upgrading in the project communities. It was noticed that Kaduna State

Agricultural Development Program (KADP) has undertaken livestock upgrading and skill acquisition development in all the 27 RVAs of the State (NFRA, 2010).

Institutional Support to Agriculture and Rural Institutions

The Project sector goal is to strengthen institutions to respond effectively and efficiently to the needs of the farmers and other participants in rural development for the enhancement of food security and reducing poverty. The project objective is to enhance the capacity of the agriculture and rural institutions for effective and sustainable service delivery to the farmers. The project will contribute to food security by enabling the Departments and Institutions of the Federal Ministry of Agriculture to efficiently serve the rural areas (FMAWR: 2008). The project has following three components: Institutional Support and Rationalization; Capacity Building and

Project Management

The project would specifically benefit the Federal Department of Rural Development (FDRD) which is responsible for formulating policies and strategies for rural development and for fostering integrated rural development. Its mandate is to accelerate the transformation of the nation's rural life and landscape in a coordinated and sustainable manner with a view to eradicate rural poverty, expand rural economic opportunities, enhance food security and integrate rural dwellers into the mainstream of national development

Alliance for a Green Revolution in Africa (AGRA)

AGRA is an Africa based organization working in partnership with governments, agricultural research organizations, farmers, private sector, civil society and other rural development stakeholders to significantly and sustainably improve the productivity and incomes of resource poor farmers in Africa. AGRA's program in the areas of seeds, soil health, market viability, supportive policies and innovative finance are fashioned to work to bring about transformational change across the agricultural value chain.

Following major reforms of the financial sector embarked on by the Central Bank of Nigeria, which brought it in line with AGRA's priorities for sustainable economic growth, the Alliance for a Green Revolution in Africa (AGRA) and the Central Bank of Nigeria (CBN), in August 2010 signed a landmark agreement. The MoU seeks to develop a new innovative mechanism for helping to unlock billions of Naira of financing to serve the needs of all farmers, especially smallholder farmers, agro-processors, agribusinesses and input suppliers in the agricultural value chain. During the initial design phase of the new Nigerian Incentive-based Risk Sharing System for Agricultural Lending (NIRSAL), AGRA and CBN will work with commercial banks in Nigeria to develop an innovative financing mechanism aimed at providing farmers with affordable financial products, while reducing the risk of loans to farmers under other financing program offered by the financial institutions (AGRA: 2010). The initiative will build capacities of banks to expand lending to agriculture, deploy risk sharing instruments to lower risks of lending and develop a bank rating scheme to rate banks based on their lending to the agricultural sector (AGRA: 2010). The strong expression of Sanusi Lamido Sanusi, Governor of the CBN that a productive and efficient agricultural sector is the foundation for the food and economic security of Nigeria provided the impetus for the AGRA/Nigeria collaboration. This collaboration, if successful, can set the tone for the rest of Africa. AGRA and CBN plan to work together on developing innovative insurance products that are affordable to farmers, to complement the support to be provided for banks and other financial institutions, in order to further reduce the risk of lending. The initiative is part of a larger effort initiated by AGRA and partners to leverage billions of dollars in support of smallholder agriculture across the continent.

AGRA and IFDC agro-dealer program in Nigeria

Earlier in 2008, a new initiative aimed at improving farmer access to quality seeds and fertilizer was launched by the Alliance for a Green Revolution in Africa and the International Center for Soil Fertility and Agricultural Development (IFDC). The project has been borne out of the recognition that many smallholder farmers are unable to access fertilizers and seeds in rural areas. As a result of poor access to and low utilization of quality inputs (especially seeds and fertilizers), yields are low and soil nutrients are depleted. The program involves an ambitious US\$3.5 million National Agro-Dealer Support (NADS) project in Nigeria to bulk credit and provide support to 1,400 rural agro-dealers (AGRA: 2010). These agro-dealers are the primary contacts for smallholder farmers to purchase seeds, fertilizers and other farm inputs critical for increasing productivity and incomes. The agro-dealers operate small businesses that reach farmers in remote areas and the NADS project would undertake training of agro-dealers in safehandling and the efficient and environmentally sound use of farm inputs. Once they have acquired these skills, they would transfer the knowledge to farmers. The agro-dealer program will help to improve the volume, range and timeliness of supply of agricultural inputs into rural areas.

Recognizing the important role played by smallholder farmers in Nigeria, the NADS project supports the Federal Government of Nigeria's commitment to agriculture. The government has identified agriculture and rural development as priority areas in reducing poverty challenges facing the country. Through NADS, AGRA will work with IFDC-Nigeria and local partners by investing in capacity building and training to strengthen technical and business knowledge. Trade associations that have already been established will be supported, as will dealers' access to investment finance for business development through risk-sharing arrangements. In addition, shop owners will be trained in the value and methods of providing services like field demonstrations, soil testing and teaching best practices to farmers.

DFID Research Strategy (2008 - 2013)

The DFID, a United Kingdom based development support organisation provides funding and technical backstopping in agricultural research and extension. In 2007 the Department concluded plans to launch research in agriculture to address pressing threats to farming as follows:

- I. research into better strategies for tackling land erosion, desertification and flooding
- II. research into how the impact of climate change and HIV AIDS on farming can be tackled and how farmers can be effectively sensitized

Increasing agricultural productivity

- I. research into strategies for transforming agricultural activities from subsistence/rudimentary farming to commercialised/mechanised farming
- II. research into means of providing more financial support such as micro-credit schemes
- III. research into how to enhance agricultural productivity by per acre of land
- IV. research into the production of higher yield crops and to accessing higher quality seeds
- V. research into how value-added processing and preservation of agricultural produce can be achieved
- VI. research that balances out the shift in research focus from export to food crops that took place 15 years ago
- VII. research into enhancing agro-forestry which incorporates all aspects of agriculture in a holistic manner (NFRA: 2010)

Creating an enabling environment for productive farming

- I. research into the impact of international agreements and global trends on the agricultural sector in Nigeria
- II. research into assisting farmers attain better rates for their produce nationally and especially, internationally
- III. research on how best to facilitate cross-border and regional learning and exchange of best practice in Africa e.g. by operationalising and publicising protocols and agreements of the Economic Community of West African States (ECOWAS) and the New Partnership of for African Development (NEPAD)
- IV. research into providing more infrastructure and public facilities such as health, transportation, water and more environment-friendly energy sources, particularly electrical energy
- V. research on how to engage and train youth in agriculture as a means of tackling unemployment
- VI. research into effective strategies for tackling rural poverty and fostering rural development

Getting Agricultural Research into Use to Reduce Rural Poverty

The Research into Use (RIU) Program started implementation of its inception phase in July 2006 and moved to full implementation in July 2007. The aim of the Program is to promote the best results of past research funded by DFID and other donors in Africa and South Asia. The most promising outputs are being selected on their potential to raise farmers' incomes, reduce poverty, halt environmental degradation, and increase food security. Lessons from the Program will be collected and shared to show how best to get forestry, fishing, farming and livestock rearing technologies and policies into use to maximise their impact on reducing poverty.

DFID: Core funding to the International Institute of Tropical Agriculture (IITA)

In 2008, DFID supported cutting edge research in agriculture to reduce hunger and rural poverty. The objective is to enable IITA undertake research and development that would enhance food security and improve livelihoods in Africa (NFRA, 2010). The intended Outputs include:

- I. Improve nutrition quality by seeking ways of providing a higher diversity and density of micronutrients in human diets, as well as by reducing food toxins
- II. Increase the knowledge on nutrition patterns and distribution of food and nutrients within social systems with respect to human nutrition across social strata and gender
- III. Research ways to overcome labor force bottlenecks in farms and households affected by HIV/ AIDS or malaria through appropriate technologies
- IV. The efficient long-term conservation and use of genetic resources of staple and underutilized crop species, and increased efficiency and effectiveness of research aimed at exploiting their potential.
- V. To increase knowledge on ecosystems, social systems, and commodity chains related to banana and plantain production in Africa
- VI. To research ways to improve profitability of banana and plantain systems in Africa
- VII. To improve the quality of banana- and plantain-based food products
- VIII. Develop and facilitate the dissemination of natural resource management technologies that increase productivity in a sustainable manner.

- IX. Facilitate the development of postharvest technologies and market systems that increase the availability of high quality and safe agricultural products.
- X. Generate knowledge to facilitate the effective management of ecosystems, social systems, and commodity chains.
- XI. Increase research efficiency and effectiveness by enhancing the capacity of national programs to generate and promote improved technologies.
- XII. Develop technologies to improve labor-use efficiency and to reduce drudgery in cereal and legume systems.
- XIII. Reduce variability in productivity of cereal and legume systems.
- XIV. Develop and facilitate dissemination of natural resource
- XV. Facilitate the development of postharvest technologies and market systems that increase the availability of high quality agricultural products.
- XVI. Generate knowledge to facilitate effective management of ecosystems.
- XVII. Facilitate development of local agro enterprises for cost-effective seed systems and biological plant health management products.
- XVIII. Explore and develop innovative institutional arrangements to facilitate the dissemination of research processes, methods, and emerging International Public Goods (IPGs) in selected value chains. Advise upstream decision-makers on a conducive institutional and policy environment for vibrant high value production systems that are environmentally sound and socially acceptable.

The Food and Agriculture Organization of the United Nations (FAO)

The FAO has the mandate to lead international efforts to defeat hunger. Achieving food security for all is at the heart of FAO's efforts to make sure people have access to enough high-quality food.

Technical Cooperation Programs (TCPs):

FAO Provides support to the Nigeria Government through small projects which address specific problems in the agriculture, fisheries and forestry sectors. The aim of a TCP project is to produce tangible and immediate results in the battle against hunger and to catalyze long-term changes. The TCP is one of the FAO's tools for contributing to the achievement of the Millennium Development Goals and particularly the goal of eradicating extreme poverty and hunger.

National Program for Food Security (NPFS):

The NPFS project in Nigeria aims at improving national and household food security and reduce rural poverty in an economically and environmental sustainable way. The 2nd phase of the project commenced in 2007 and FAO is providing technical supports to the project.

FAO's Initiative on Soaring Food Prices:

FAO launched an initiative to boost food production in the short term which is known as initiative on soaring food prices (ISFP). It has simple but effective goals: distribute seeds, fertilizer, animal feed and other farming tools and supplies to smallholder farmers to help them cope with the rising cost of food. Part of the initiative is advising governments on policy measures in response to the crisis. The FAO Country Guidelines provides an overview of different policy responses to higher food prices, their possible effects, advantages and disadvantages. FAO is currently supporting the Nigerian Government with the supply of improved seeds, fertilizers and other agriculture inputs for this planting season.

Bird Flu & Rinderpest:

At the outbreak of bird flu in Nigeria in 2006, FAO deployed technical experts to give advice in areas such as

policy and strategy, trained local experts and provide laboratory equipment vaccines and protective clothing. FAO continues to promote regional cooperation and coordinate donor contributions to fight bird flu in Nigeria. FAO is also targeting rinderpest as it continues to campaign against the deadly livestock disease rinderpest.

Monitor fisheries:

FAO unveiled a new source of information aimed at improving the monitoring and management of fish stocks. The fisheries Resources Monitoring System contains data on catches and stock levels, fishing fleet activities, fishing mortality and biomass trends, management practices and more. Coordinated by FAO, it garners details from regional fisheries management organizations and other agencies. The project was launched amidst mounting concern over the overexploitation or depletion of species (GEFU, 2010).

In an effort to improve Aquaculture in Nigeria and further make it competitive in the international community, the Food and Agricultural Organisation, (FAO) has provided \$410,000 of funding support in the area of capacity building, seed development, and in other allied areas to support aquaculture development. The FAOSTAT allows data from different categories to work together as it features an easy to use interface and generates dynamic charts and other outputs. A national version, Country STAT is being implemented in Nigeria (FAO, 2010).

International Fund for Agricultural Development (IFAD)

IFAD has financed eight Programs and projects in Nigeria since 1985, with a total loan commitment of US\$157.3 million (IFAD, 2010). IFAD's country strategic opportunities Program for Nigeria covers the period 2010-2015 and is in line with the Comprehensive Africa Agriculture Development Program of the New Partnership for Africa's Development, national policies and strategies on sustainable agricultural development, economic growth and poverty reduction; the national food security Program and the Millennium Development Goals on poverty and hunger reduction.

IFAD strategy focuses on two objectives:

- I. Improve access by rural poor people to economically, financially and environmentally sustainable production, storage and processing technologies, markets and support services. Existing and future operations will focus on greater access to better and more affordable agricultural production technologies, farm inputs and support seeds;
- II. Strengthen community involvement in local planning and development, and promote government support for rural infrastructure.

IFAD has three on-going projects in Nigeria:

Rural Finance Institution-Building Program (RUFIN)

The objective of the program is to strengthen microfinance institutions and establish linkages between these institutions and formal financial institutions in 12 Nigerian states (Zamfara, Katsina, Bauchi, Adamawa, Oyo, Akwa Ibom, Imo, Anambra, Edo and Lagos). It lays the foundation for the long-term development of a sustainable rural financial system that will eventually operate throughout the country. By reaching out to poor rural people, the program ensures that they gain access to financial services and can invest in and improve productivity in agriculture and small businesses. Marginalized groups, such as women, young people and those with physical disabilities, are particularly targeted by the program.

The Program supports the development of target-group organizations into rural finance institutions that improve poor rural people's access to low-cost credit. It assists microfinance institutions, including the Bank

of Agriculture (BA), the National Poverty Alleviation Program, and microfinance banks and NGO-microfinance institutions operating in rural areas (Ayoola:2010). It helps them strengthen their rural outreach and improve their services to the most vulnerable groups, particularly households headed by women. The Programme works to develop new alternative financial products, promote an improved legal, policy and regulatory framework, and establish linkages between the financial system and the rural production system.

Islamic Development Bank (IDB)

The Anambra State Government became the first state to get the bank's assistance since Nigeria joined the bank as its 56th member in 2005. IDB is partnering with the State on poverty alleviation and rural development. Similarly is partnering with the Kaduna state government in infrastructure development. The bank is already involved in financing the construction of four Science Secondary Schools and a fully equipped 250-bed space hospital. Areas of concern of the Bank include poverty reduction. The bank had also agreed to support the state in critical infrastructure, including education and health while submissions had been made for assistance in other areas, such as agriculture, irrigation dams and microfinancing (NFRA: 2010). Nigeria, who is among the fifty-two countries that are financial members of the IDB, had earlier signed an agreement for infrastructure development projects worth over seventeen million dollars with the bank. Meanwhile, Gombe State is concluding a US\$ 30 million facility to execute the State food security programme.

How Sustainable are these Fundings?

It is quite obvious that funding /development aid institutions have played a central role in financing development in Nigeria. But development experts have always wondered whether these institutions would have the capacity or will be willing to continue providing these funds. In the first instance, there is currently intense financial pressure confronting these agencies due to funding cuts by their home governments. Speaking at the Finance Correspondents Association of Nigeria (FICAN), experts said the uncertainties in the global economy and the planned rebasing of Nigeria's real gross domestic product could lead to decline in foreign aid and support to the country. According to Ekpo (2013), some advanced countries have already started reducing funding of key multilateral financial institutions, who have also indicated intention to reduce aid to developing countries including Nigeria and the funding agencies operating in these countries. This threat is becoming real because most funding agencies in Nigeria such as DFID and IFAD have indicated intention to cut grants and loans (Ayoola: 2010).

Again, high level corruption and misuse of development funds have continued to worry these funders. In 2006, the Economic and Financial Crimes Commission (EFCC) accused Nigerian leaders of stealing 500 billion dollars of development assistance from western countries alone since independence in 1960 (Nigeria/Africa Master Web: 2006). The influential British think tank Chatham House recently accused the UK government of fuelling corruption in Nigeria for donating 1 billion pounds to Nigeria when it is aware that much of the money would be stolen (ThisDayLive: 30/11/2013).

The most realistic way out of this quagmire is for Nigeria to improve its foreign trade as a source and alternative of generating development funds. The good news in this regard is a report that Nigeria's foreign trade had improved sharply in 2012 with 12 billion dollars surplus occasioned by 42% decline in imports and 8.2% increase in exports (Vanguard: 30/11/2013).

Conclusion and Recommendations

From the foregoing, it is obvious that international partnerships have played highly critical roles in the agricultural development of Nigeria. With governmental budgetary allocations always of their lowest, these partnerships from the evidence at hand, have served to bridge the funding challenges the agricultural sector has found itself in since independence. Even though these partnerships have not provided all that is required in addressing the critical needs of the country's agriculture and food security, their provisions cannot easily be discussed as non-contributory. It is therefore recommended that as a critical part of achieving the MDG goal of attaining sustainable food security by 2015, these partnerships should be sustained and boosted. This is inspired by the challenges many of the funding agencies have been facing over the years in meeting their commitments signed with the government of Nigeria. Another key recommendation is associated with lack of transparency recorded with the utilization of parts of the funds. Thus, fighting corruption is a key element in ensuring the sustainability of these partnerships.

References

- AGRA (2010) AGRA and African Agriculture, AGRA, Nairobi, 2010.
- Ayoola, G.B. (2010) "Current Policy Direction for Repositioning Nigerian Agriculture" Paper at National Agricultural show Abuja, 2010.
- Ekpo, A (2013) "Global Economic Outlook in 2013: Implications for Nigeria", paper presented at Round Table on " Nigerian Economy in 2013", organised by Finance Correspondents Association of Nigeria (FICAN) on 14th January 2013, Abuja.
- Federal Ministry of Agriculture and Water Resource (FMAWR) (2008) National Food Security Programme, FMAWR, 2008 45PP
- Federal Ministry of Agriculture and Water Resources (FMAWR) (2009) Agricultural Policy for Nigeria FMAWR 41PP.
- Gefu, J.O (2009) "Cultivating a home grown green and white revolution in Nigeria". Paper presented at National Agricultural show, Abuja.
- IFAD (2010) "IFAD Operation in Nigeria". IFAD, Rome
- National Food Reserve Agency (NFRA) (2010) "Annual Progress Report (2009) Abuja", 29pp.
- Nigeria/Africa Master News Report (2006), "Nigerian Leaders Looted 500 billion Dollars Foreign Aid" (www.Africamasterweb.com/Adsense/NigerianLeadersLooted55billiondollars.htm)
- ThisDay Live (30/11/2013) "Britons Accuse UK Government of fuelling Corruption in Nigeria" (www.ThisdayLive.net).
- Vanguard (30/11/2013) " Nigeria Risks decline in Foreign Aid in 2013" (www.Vanguardngr.com/2013/01).
- Vision 2020 Document (2008) Projecting Nigeria among the top 20 economies in the world Federal Ministry of National Planning. 120pp.