

The Agriculture Transformation Policy (ATA) and Food Security in Nigeria, 2011-2015

OKPARA, RICHARD N.

Doctoral Candidate, Department of Political & Administrative Studies, University of Port Harcourt

NWAORGU, OMENIHU C.

Professor of Political Science, Department of Political & Administrative Studies, University of Port Harcourt

Abstract:- One of the major problems confronting the Nigerian State is how to provide enough food for its teeming population, through the rejuvenation of the agricultural sector. The agricultural transformation policy (ATA) was the government's response to this challenge between 2011 and 2015. This paper evaluated how the ATA impacted on food security in Nigeria within the said period. Data for the study were generated through secondary sources, and analysed qualitatively. Using Marxist political economy approach, the paper argued that the inability of Nigeria to meet its expected potentials in the agricultural sector could be because of the personal interests of a few individuals, which food importation serves. The paper recommended that focus should be shifted to the mechanisation of agriculture as a way of boosting local food production.

Keywords:- Agriculture, Agricultural Sector, Commodity, Economy, Food Security, Policy.

I. INTRODUCTION

In Nigeria, it is common to have every new administration initiate its own policies in order to supposedly meet the government's agenda, rather than continue with the implementation of existing policies. The case was not different in 2011, when the administration of Goodluck Jonathan introduced the Agriculture Transformation Policy (ATA). The ATA was in existence between 2011 and 2015. The policy identified agriculture, water resources, solid minerals, manufacturing, oil and gas, trade and commerce, culture and tourism as the seven sectors that can spearhead economic growth in Nigeria. The government projected that with a baseline annual GDP growth rate of 11.7%, at the end of the programme, the real nominal GDP of about N428.6 billion (per annum) and N73.2 trillion would be attained. Presumably, the ATA was meant to ensure food security in Nigeria.

It was Claude Ake who declared, in one of his famous works, *A Political Economy of Africa*, that "it is true that man does not live by bread alone. But it is a more fundamental truth that man cannot live without bread" (Ake, 1981, p.1). In such few words, Ake underscored the centrality of food to human existence. In the context of this paper, the food being referred to is the ones that are produced locally – through agriculture – of course, and is readily available and accessible. This availability and accessibility of food is what could be referred to as food security. The Food and Agriculture Organisation (FAO, 2006) declared that food security obtains when all people, at all times, have physical

and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life. The main goal of food security, therefore, is for individuals to be able to obtain adequate food needed at all times, and to be able to utilise the food to meet the body's needs. Food is produced through agriculture.

Agriculture used to be the mainstay of Nigeria's economy, until the discovery of oil in commercial quantity at Oloibiri, in 1958 (Okoruwa, 2013). Since then, not only had focus shifted to oil – which, for some decades now, has remained Nigeria's major, if not sole export commodity – agriculture has suffered huge neglect, going by the continually increasing food imports, to meet local demand. Okuneye and Ayinde (2011) observed that in Nigeria's early years, when farmers depended on hoes and cutlasses as the most popular agricultural technology, agricultural produce constituted about 60% of Nigeria's total foreign exchange earnings. Not only that, the sector provided employment for as much as 90% of the economically viable labour force. It is pertinent to note also, that then, farmers, who operated mostly at the subsistence level, relied mainly on seeds saved from the previous year's harvests to provide enough food to meet local consumption demands. These small-holder traditional farmers are said to cultivate less than 50% of Nigeria's arable agricultural land (Okuneye, 2010).

The situation changed drastically, decades ago. Emphasis on the production of commercial or exportable commodities like rubber, cocoa, cotton, palm oil and kernel, etc., shifted attention from production for domestic consumption. Even at that, Nigeria does not appear to be faring any better on the export of agro-products' scale. The true position has aptly been captured by the Federal Ministry of Agriculture and Rural Development (FMARD, 2016, p.5) thus:

Nigeria is facing two key gaps in agriculture today: an inability to meet domestic food requirements, and an inability to export at quality levels required for market success. The former problem is a productivity challenge driven by an input system and farming model that is largely inefficient. As a result, an aging population of farmers do not have enough seeds, fertilizers, irrigation, crop protection and related support to be successful. The latter challenge is driven by an equally inefficient system for setting and enforcing food quality standards, as well as poor knowledge of target markets. Insufficient food testing facilities, a weak inspectorate system in FMARD, and poor coordination among relevant federal agencies serve to compound early-

stage problems such as poor knowledge of permissible contaminant levels.

An implication of the above disclosure by Nigeria's FMARD is that food security is encumbered by a plethora of factors. These factors, to a large extent, remain predominant impediments due to structural and policy inconsistencies. Another implication is that the solution to Nigeria's food security challenges can be located within, rather than without. In other words, farmers in rural communities hold the key.

On the basis of the above, this paper examines the Agriculture Transformation Agenda (ATA) and food security in Nigeria, between 2011 and 2015. Emphasis is laid on the strengths and weaknesses of the policy, as well as its overall scorecard.

II. THEORETICAL FRAMEWORK

This paper draws from the Marxist Political Economy to argue that contradictions exist in the social production of material life. Thus, inadequate support for peasant farmers to increase their level of food produce for food security can be traced to this historical contradiction. Although some policies have been put in place to boost the agricultural sector, they have hardly been favourable to peasants as the elite hijack many of such programmes for their personal benefit (Eme et al, 2014). Furthermore, many of the agricultural policies like the National Accelerated Food Production Programme (NAFPP), Operation Feed the Nation (OFN), Green Revolution Programme (GRP), Go Back to Land Programme etc., had always failed and not been beneficial to rural farmers. A number of factors which can be said to be responsible for food security problems in Africa in general, and Nigeria in particular, include: poor government policies, high level of illiteracy amongst farmers, dilapidated road infrastructure, lack of storage facilities, excessive use of dated farm implements, land tenure system, problems of landslide etc. That these problems persist, even though there is no reasonable debate against the centrality of agriculture to food security, raises the suspicion that perhaps, some bourgeois find food importation much more beneficial than local agricultural production.

III. THE AGRICULTURAL TRANSFORMATION AGENDA (ATA)

To achieve a hunger-free Nigeria through an agricultural sector that drives income growth, accelerates the achievement of food and nutritional security, generates employment and transforms the country into a leading player in global food markets and grows wealth for millions of farmers was the vision of the ATA. The ATA took off on the premise that that agriculture is business and, therefore, it is only logical that supportive policies be introduced. Following

this perspective, the policy priority was to 'restart the clock' by bringing a business-like attitude to (driven by the private sector) to agriculture. The ATA was framed in such a way as to boost the income of small-holder farmers and rural entrepreneurs, who are engaged in the production, processing, storage and marketing of selected commodity value chains on a sustainable basis, according to the Premium Times Centre for Investigative Journalism (PTCIJ, 2017).

Some of the implementation frameworks for the ATA include: the Nigerian Seed Venture Capital Fund (NSVCF), and the Nigerian Incentive-Based Risk Sharing System for Agricultural Lending (NIRSAL). Also, the Federal Government approved N30 billion for the implementation of Growth Enhancement Support Scheme (GES) to make improved inputs available to small-scale farmers at 50% subsidy (Federal Ministry of Information, 2012). In relation to the crop processing zones, the Federal Ministry of Agriculture and Rural Development set up 18 Staple Crop Processing Zones (SCPZ), as a cluster-based value chain strategy to attract private investors to set up food processing plants in areas of high food production, reduce high levels of post-harvest losses, and add value for increased local content of foods. The SCPZ were also to link farmers in clusters to food manufacturing plants, and establish a national farmers database.

As part of plans to meet the target of increased production, rice, sorghum, cocoa, maize, soybean, oil palm, cotton, cassava, livestock, fisheries and horticulture were listed among 11 commodity value chains. These target commodities were split among the six geo-political zones of Nigeria as follows:

- North-Central: Maize, soybean, rice, cassava, livestock and fisheries;
- North-East: Cotton, onion, tomato, sorghum, rice, cassava, livestock and fisheries;
- North-West: Cotton, onion, tomato, sorghum, rice, cassava, livestock and fisheries;
- South-East: Oil palm, cocoa, rice, cassava, livestock and fisheries;
- South-South: Oil palm, cocoa, rice, cassava, livestock and fisheries; and,
- South-West: Oil palm, cocoa, rice, cassava, livestock and fisheries (Akinwumi et al, 2011).

With the implementation of the ATA, farmers had the prospect of accessing better agricultural inputs (Obayelu & Obayelu, 2014). Overall, the ATA recorded the following successes:

Area	Illustrative Achievements
Input Supply	<ul style="list-style-type: none"> • Set-up of the Growth Enhancement Scheme (GES) to register small holder farmers and provide targeted input subsidies (E-Wallet) <ul style="list-style-type: none"> ○ GES database contains 10.5 million farmers (data integrity not verifiable) ○ Targeted means-based subsidies provided to an ~12 to 14 million farmers between 2011 – 2014 • Farmers gained improved access to inputs i.e. access to fertilizer and of seeds
Financing	<ul style="list-style-type: none"> • In partnership with Central Bank and Bankers Committee, set up of Nirsal credit guarantees • Revival and partial N15 billion recapitalization of Bank of Agriculture • Engagement with commercial banks to finance GES and boost lending to agriculture from ~1% to 6% of all formal credit by 2015 • Creation of special funds to support farmers e.g. N10B Cassava Fund and FAFIN/KfW Facility of \$35M
Infrastructure & Logistics	<ul style="list-style-type: none"> • Designation of staple crop processing zones; 1st site in Kogi for cassava production remains under development • Concession of Federal warehouses and storage assets
Production	<ul style="list-style-type: none"> • Introduction of new higher yielding crop varieties e.g. Cocoa, Rice (Faro 42 and 44) • Domestic food production rose by an incremental 20.1M tons (claims not evidence based) <ul style="list-style-type: none"> ○ Rice paddy production rose an estimated 2.0 – 2.5 million tons • Creation of a Federal Dept. of Agricultural Extension
Market Access	<ul style="list-style-type: none"> • Re-establishment of select commodity marketing boards e.g. Cocoa Marketing Corporation
Others	<ul style="list-style-type: none"> • Reform of the Agricultural Research Network (ARCN)

Table 1: Select ATA Achievements (2011-2015) by Value Chain Stage
Source: FMARD (2019, p.7).

From the table above, one of the major achievements of the ATA is the creation of a database for Nigerian farmers. The database is said to contain 10.5 million farmers. Again, the ATA benefited 45,300 small-holder farmers in the rural areas, while the agricultural sector contributed an average of 21.09% to the GDP between 2011 and 2015 (PTCIJ, 2017). Another major success recorded was the granting of loans to small-scale rural farmers. Corroborating this assertion, Anyanwu (2015), in a study on peasant farmers in Imo State, disclosed that as at the end of 2014, more than 700 rural farmers had been granted soft loans to improve the scale of their farming.

No doubt, the introduction of the ATA, in keeping with the Jonathan administration's transformation agenda, was out of a genuine interest in improving food security in Nigeria. Within the 4 years that it lasted, the government, through this policy, managed to put structures in place, structures which, if further consolidated, could drive agricultural development in Nigeria.

Having highlighted some of the successes of the ATA, it is only logical to evaluate some of the challenges which it faced. The following table is instructive:

Area	Illustrative Shortcomings
Input Supply	<ul style="list-style-type: none"> • GES's limited focus and exit strategy set aside, with material implications for Ministry's budget, hence the sharp rise in indebtedness to banks. The system has many leakages from farmer registration and data capture to supply and distribution mechanism. • Insufficient access to improved variety seeds e.g. still a 300,000MT gap between demand and supply of seeds
Financing	<ul style="list-style-type: none"> • Credit access particularly for small holders remains weak <ul style="list-style-type: none"> ○ Nirsal's 2013 change in credit guarantee rules disrupted market for agriculture financing until mid-2015 when rules were reviewed again • Backlog of unpaid GES loans (estimated at N39B) has slowed down bank lending • Of ~\$8 billion in domestic and foreign investor commitments often cited, only limited volumes actually moved from idea to reality
Infrastructure & Logistics	<ul style="list-style-type: none"> • Investment inflows into infrastructure and midstream logistics e.g. warehouses, storage, processing systems remains rudimentary • Staple crop processing zone (SCPZ) strategy has not yield results. For example, Kogi SCPZ has not taken off due to withdrawal of Cargill, the anchor investor from the project
Production	<ul style="list-style-type: none"> • Growth in food production remains limited due to gaps in input supplies e.g. rice; hence rice imports still exceed \$1 billion/annum. Outlined below is an <i>illustrative</i> "best estimates¹" of demand-supply gaps given data quality issues still present in Nigeria. It is anticipated that as production gaps are closed via yield improvements, per/ton equivalent costs will also decline, helping reduce food costs and ultimately, inflation.
Market Access	<ul style="list-style-type: none"> • Post-harvest losses still an issue but improving moderately • Illegal food imports remain an issue, depriving farmers of market opportunities
Others	<ul style="list-style-type: none"> • Federal – State coordination of policy became significant challenge; some states made choices at odds with federal approach e.g. continuing direct procurement of fertilizer • Absence of programme delivery infrastructure / unit at the federal and state levels; held back key implementation and donor funding • Data collection and evidence based reporting remains weak, hence tracking results / M&E continues to be a challenge

Table 2: Select ATA Challenges (2011-2015) and Production Gaps by Value Chain Stage

Source: FMARD (2019, p.7).

From the table, the loan schemes led to huge indebtedness to banks. This was because the government, through the policy, got loans from banks. It was expected that beneficiaries would repay the loans within a given period. This, however, was not to be as many of the farmers were unable to redeem the loans. Another impediment to the ATA was the unreliability of data used in registering the farmers. This was another major impediment to the recovery of the loans by banks. The database equally failed to include data on supply and distribution mechanism.

Again, there was little or no synergy between the Federal, State and Local Governments on the implementation of the policy. An instance is the procurement of fertilizer. Another point worth raising is the fact that in as much as the

ATA made provision for the introduction of improved seedlings, demand outstripped supply. Perhaps, focus should have been on the supply of adequate number of seedlings to meet the demand of farmers. Again, the ATA was silent on improved farm mechanisation. It is a well-known fact that crude farm implements still remain the most advanced farm technology used in the rural areas, by rural farmers. This prevalent situation raises questions on the ability of rural farmers to raise sufficient funds through the sale of farm produce, to repay the loans.

IV. CONCLUSION AND RECOMMENDATIONS

The CIA World Factbook (2019) stated that of Nigeria's total landmass of 910,768 square kilometres, 78% is agricultural land. Of this percentage, 37.3% is arable land; 7.4% for permanent crops, and 33.3% for permanent pasture. Cassava, yam, maize and guinea corn are considered major crops cultivated in about 70% of households in Nigeria (Olusola, 2017). According to the Federal Ministry of Agriculture and Rural Development (FMARD, 2019), 7.3% of households practice fishing in the South-South, while 69.3% of households own or raise livestock in the North-West, Nigeria. With 70% of Nigerian households engaged in crop farming, one would have expected massive production to meet local consumption. This, however, has not been the case due to a number of challenges. An instance is the fact that Nigerians spent about N22.8 trillion on food items in 2019, representing more than half (56.7%) of the total household expenditure of N40.2 trillion (NBS, 2020).

Yusuf (2018) had lamented that while at independence in 1970, food export accounted for 70% of Nigeria's gross national product (GNP), two decades and a half later, food items constituted 50% of imports. Nigeria's agricultural trade deficit widened by N689.7 billion in 2019, compared to N549.3 billion in 2018 (Oyaniran, 2020). Explaining further, in four years (2016-2019), Nigeria's cumulative agricultural imports stood at N3.35 trillion, four times higher than the agricultural export of N803 billion within the same period. Thus, it becomes pertinent to ask: why has the situation worsened, and keeps worsening as the days go by? The answer might not be far from the issue of policy – in relation to poor implementation and inconsistencies. From the 1976 Operation Feed the Nation (OFN) to the ATA of 2011-2015, Nigeria is yet to meet its target of food sufficiency.

As it is, a good way to correct this anomaly would be by retaining the structures put in place for the success of the ATA. Granted that every new government is entitled to its own agenda, policy continuity should be prioritised when it comes to the agricultural sector. Furthermore, it might be necessary to reconsider the focus on reaching as many rural farmers as possible. This is because mechanised farming has little or nothing to do with number, but everything to do with improved equipment, seedling and other logistics required for massive agricultural production. It should also be mentioned that there is a dire need to improve road infrastructure. This would facilitate the smooth transportation of farm produce from the villages to the towns.

REFERENCES

- [1]. Ake, C. (1981). *A political economy of Africa*. Longman.
- [2]. Akinwunmi, A.A., Adetunji, M., Odunlami, T., Odeyemi, J., Awoniyi, J., Egba, A., Oredipe, A. & Fregene, M. (Dec. 15, 2011). Transforming the cassava sector in Nigeria. *Report of DATCO, Shareholders Meeting at Abuja*.
- [3]. Anyanwu, A.O. (2015). Federal agricultural loan scheme for rural farmers in Nigeria: A study of Imo State. *Paper presented at the 8th annual conference of Fish Farmers Association, Imo State branch*.
- [4]. CIA World Factbook (2019). Nigeria. <https://www.cia.gov/the-world-factbook/countries/nigeria/>.
- [5]. Eme, O.I., Onyishi, T.U., Okala, A. & Uche, I.B. (2014). Challenges of food security in Nigeria: Options before government. *Arabian Journal of Business and Management Review (OMAN Chapter)*, 4(1), 33-40.
- [6]. Federal Ministry of Agriculture and Rural Development [FMARD] (2016). *The agriculture promotion policy (2016-2020): Building on the successes of the ATA, closing key gaps*. FMARD.
- [7]. Federal Ministry of Agriculture and Rural Development [FMARD] (2019). *The agriculture transformation agenda: Successes and key gaps*. FMARD.
- [8]. Federal Ministry of Information [FMI] (2012). Transformation Agenda: Achievements in the agricultural sector. *Report from the Ministerial Platform to mark the 2012 Democracy Day (Tuesday 24th April, to Tuesday, 22nd May) by FMI, Abuja, Nigeria*.
- [9]. National Bureau of Statistics (NBS, 2020). Statistics on agriculture and local food consumption in Nigeria, 2019. *FOS*.
- [10]. Obayelu, A.E. & Obayelu, O.A. (2014). Strengths, weaknesses, opportunities and threats (SWOT) of the Nigeria agricultural transformation agenda (ATA). *Nigerian Journal of Agricultural Economics (NJAE)*, 4(1), 25-43.
- [11]. Okoruwa, V.O. (2003). Determinants of traditional agricultural exports in Nigeria: An application of co integration and error correction model. *Quarterly Journal of International Agriculture*, 43(4), 44-56.
- [12]. Okuneye, P.A. & Ayinde, A.I. (2011). The Nigerian agricultural policy inadequacy: The way forward. *Nigerian Journal of Agricultural Economics (NJAE)*, 2(1), 1-16.
- [13]. Okuneye, P.A. (2010). Achieving self-sufficiency in Nigeria: Linking promises to realistic policies. *Distinguished Lecture Series, No 2, Afe Babalola University, Ado Ekiti*.
- [14]. Olusola, A.S. (2017). Managing the opportunities and challenges of agricultural production. *African Journal of Pastoralism*, 3(1), 88-94.
- [15]. Oyaniran, T. (2020). *Current state of Nigeria agriculture and agribusiness sector*. PwC Nigeria.
- [16]. Premium Times Centre for Investigative Journalism [PTCIJ] (2017). *Nigeria's agriculture in facts and figures*. Premium Times.
- [17]. Yusuf, Y.A. (2018). Sustainable Development Goal 2: Targets and indicators for agriculture and food security. *Conference Paper*.