

Agricultural Promotion Policy: Lessons from emerging economies

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Introduction

For decades, Agriculture has been a great contributor to the economy of countries globally. In many developing countries, agriculture has not just contributed largely to the employment of the citizens, it has raised the national income of the country and has continued to have great impact on their GDP.

Though diversified, developed countries too have not shunned agriculture. For instance, agriculture contributes about 10 percent to China's GDP and close to 35 per cent of the labour force in China are into agriculture related practices. This shows that agricultural practices still hold a lot of potentials for the economy of countries throughout the world.

In Nigeria, decades ago, agriculture was the main stay of the economy. But as oil was discovered, attention was turned away from it. This largely affected the development of the sector, drifting it to a near comatose state. Even at this, today, agriculture still remains the largest employer of labour in Nigeria. In 2019 alone, agriculture contributed 21.91 percent to Nigeria's GDP, and the sector has continuously been the largest employer of labour in the country.

Despite this, the full potentials of Nigeria's agricultural sector is yet to be harnessed. Though there have been different policies in the past that were put in place to address many issues in the sector, the Agricultural Promotion Policy seems to be the most comprehensive and encompassing of them all.

This article considers the Agricultural Promotion Policy and the objective of the policy. It also examines developing countries that have adopted similar policies, while trying to draw lessons from their experience. Finally, the article concludes possible challenges to successful implementation of the policy in Nigeria.

Brief Outlook of Nigeria's Agricultural Sector

Agriculture remains one of the largest sector of Nigeria's economy. It serves as the major means of livelihood for greater part of the population, especially to those in the rural areas.

Though a major contributor to the economy, the agricultural sector is faced with many perennial issues. One of such problems is an archaic Land Use Act. Agriculture in Nigeria today is scattered and carried out in small scale with crude farm tools. Despite this, the country still holds the position of the largest producer of yam, cowpea and cassava in the world.

Some of the major agricultural crops are beans, palm oil, sorghum, rubber, banana, cashew nuts and many others.



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The agricultural sector contributes more than 20 percent to the country's GDP and employs the greater number of employed Nigerians. The sector is under the control of the Federal Ministry Of Agriculture and Rural Development.

Agricultural Promotion Policies: What does it mean?

The Agricultural Promotion Policy is the government's policy intervention scheme for the agricultural sector. The policy is put in place to increase the input and output in order to boost the agricultural market both locally and internationally.

Like many countries wishing to develop its agriculture's sector, Nigeria has its own Agricultural Promotion Policy. The policy was introduced in 2016 by the Muhammadu Buhari's administration. It is expected to build on the successes of the Agricultural Transformation Agenda (ATA) of the past administration and cover the period between 2016 and 2020.



Objectives of the Agricultural Promotion Policy (APP)

The Federal Ministry of Agriculture and Rural Development, in its analysis of the APP stated that, the vision of the Buhari Administration for agriculture is to work with key stakeholders to build an agribusiness economy capable of delivering sustained prosperity by meeting domestic food security goals, generating exports, and supporting sustainable income and job growth.

The document reads further; in this regard, a number of specific objectives for the period 2016 – 2020 emerge:

- Grow the integrated agriculture sector at 1x to 2x the average Nigerian GDP for 2016 – 2020; allowing agricultural household income to double in 6 – 12 years. Agriculture's Share of the Labor Force: 70%. Crop Production: 85%; Livestock and other non-crop: 15%
- Integrate agricultural commodity value chains into the broader supply chain of Nigerian and global industry, driving job growth, increasing the contribution of agriculture to wealth creation, and enhancing the capacity of the country to earn foreign exchange from agricultural exports;
- Promote the responsible use of land, water and other natural resources to create a vibrant agricultural sector offering employment and livelihood for a growing population
- Facilitate the government's capacity to meet its obligations to Nigerians on food security, food safety and quality nutrition
- Create a mechanism for improved governance of agriculture by the supervising institutions, and improving quality of engagement between the Federal and State Governments.

Strategic Implementation of the APP

As a national policy, the Agricultural Promotion Policy is not without a devised strategic implementation scheme. Overseen by the Federal Ministry of Agriculture and Rural Development (FMARD), the government hopes to fully develop the country's agriculture by;

- Prioritizing and improving productivity in local agricultural activities like the production of rice, wheat, maize, fish (aquaculture), dairy milk, soya beans, poultry, horticulture (fruits and vegetables), and sugar. According to the FMARD, the deficient gap in the cultivation and production of these crops can be closed through close partnership with private investors across farmer groups and companies in order to develop end to end value chain solutions. The FMARD hopes that these end to end value chains will receive the needed government assistance as it commits to engage a new generation of farmers, improve the supply of specialized fertilizers and protection chemicals, as well as high yielding seeds. It also expects to work with committed investors to sharply improve the distribution system for fresh foods, reduce postharvest losses, and improve the national nutritional outcomes.
- Also, the FMARD seeks to prioritize the production of export agricultural products and activities like cowpeas, cocoa, cashew, cassava, ginger, sesame, oil palm, yams, horticulture (fruits and vegetables), beef and cotton. Looking to work with a network of investors, farmers, processors and other stakeholders, FMARD hopes to develop the supporting agricultural infrastructure to establish and sustain quality standards in agricultural production and practice throughout the value chain.
- At the end of all this, FMARD hopes to have built a reputable and qualitative brand for Nigeria's agricultural product and practices that draws credence from robust data and assured food safety for all consumers- whether local or international.



- As a way of ensuring that these strategic implementation schemes turn out the expected way, FMARD has been in collaborative talks with the 36 states of the federation and major key ministries like the Ministries in charge of trade, power and transportation. It has also been working towards creating an enabling system for agricultural practices and business by strengthening the security of farming communities and performing close oversight function to create a stable and competitive market that drives wealth creation.
- Finally, FMARD hopes to adopt transparency and accountability through close monitoring of the policy performance and publication of performance metrics of the sector. With this, it is hoped that informed and better policy and investment decisions would be made.

Examination of Developing Economies with Agricultural Promotion Policies

Due to the enormous contributions of agriculture to the development of countries, many developing countries, especially in Africa, have adopted different policies to promote and develop their agricultural sector. Consideration is given to the agricultural policies of Ethiopia and Zambia

- Ethiopia

Agriculture in Ethiopia plays a critical role in the sustenance of the economy. In 2019 alone, agriculture contributed 33.88 percent to Ethiopia's GDP. The sector accounts for more than 50 percent of exports and more than 70% of the population rely on agriculture to sustain their livelihood. Like many developing countries, the Ethiopian Agricultural Sector was also faced with major challenges. In responding to this, the government rolled out the Growth and Transformation Plans (GTP) to address the issues in the sector.

Although the GTP is a national policy covering all sectors, the Agricultural sector got considerable attention to enhance development. The government seeks to achieve a national middle income status by 2025.

It hopes to do this by; Achieving a sustainable increase in agricultural productivity and production; Accelerating agriculture commercialization and agro-industrial development; Reducing degradation and improving productivity of natural resources; Achieving universal food security and protecting vulnerable households from natural disasters. Though still facing some challenges, major successes in the agricultural sector have been achieved via this policy.

Zambia

Zambia is another developing country that is giving considerable attention to agriculture. The government has put in place the National Agricultural Policy to serve the period between 2012 and 2030.

Through this policy, the government wants to facilitate the development of a competitive, diversified, equitable and sustainable agricultural sector. It hopes to do this through: Equitable development of the agriculture sector to reduce food insecurity and poverty; Stable and consistent interpretation and implementation of the agricultural policies, decisions and regulations; Creation of economically sound agribusiness and public services opportunities; High ethical public sector and agribusiness standards; Promotion of production to meet the changing needs and desires of domestic and international markets; Sustainable utilisation of the natural resources and the environment and the efficient delivery of agricultural services.

The policy implementation is yet to reach its peak, but the sector has experienced considerable changes over the years.



Lessons learnt from Developing Economies' Agricultural Promotion Policies

Developing countries that have developed their agricultural sector through the adoption of robust policies have all had similar things in common. Besides the commendable agricultural resources available to them, they have also put in check some institutional framework and technological and innovative agricultural solutions.

The example of Zambia illuminates this point. The country has considerable legal frameworks guiding the sector. There is committed zeal for agriculture development and there is the place of private sector partnership in the sector. The same thing applies to Ethiopia. With a renewed political will and conscious implementation and monitoring of policy success and key players, the country is getting returns on its investment in the agricultural sector.

Challenges to the Implementation of Agricultural Promotion Policies in Nigeria

Since its introduction in 2016, the Agricultural Promotion Policy has been facing some implementation challenges across the country. Even though 2020 marks the end of the implementation framework, the challenges of agriculture have hardly been eradicated. Some of those challenges are;

- Political Responsibility

Though this was rightly identified in the strategy of the APP as a limiting factor, the problem still continues to parade the agriculture sector. Lack of political will has prevented or slowed the implementation of the strategies of the APP and other enabling frameworks. Because of this, the government is yet to achieve the objectives of the APP.

- Infrastructural Deficit

The agricultural sector has always suffered from wide infrastructural deficit. This has affected the success of many policies in the last, and as the problem remains unattended to, it is affecting the success of the APP.

For instance, there is still a marked development gap in motorable roads, storage facilities, power and irrigation system.

- Agricultural Technology

This has always proven to be an essential factor in modern agricultural practices. Unfortunately, their deployment remain scarce in Nigeria. As it is, the agricultural sector is still majorly driven by small scale and scattered local farmers who only employ crude tools in the cultivation of some acres of land. This is a major challenge to the successful implementation of the APP.

- Land Use Tenure

The Land Use Tenure in Nigeria still poses a lot of challenges to practices that require land as a necessary asset. Land has always been in charge of the state government, and without the necessary synergy with the federal government, the use of land for agricultural practices is not possible.

Without resolving these and many other issues, there can hardly be a success story of the Agricultural Promotion Policy

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Conclusion


The place of agriculture in Nigeria's economy is highly valued because of the enormous economic potentials in the sector. These potentials make it profitable to invest and develop the sector, particularly at a time when the call for economic diversification has gained ground. The Agricultural Promotion Policy is a great way to develop the sector. However, beyond the policies, more hands must be on deck to ensure that the intent of the policy comes to reality.

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