

AGRICULTURAL POLICY FOR NIGERIA



**FEDERAL MINISTRY OF AGRICULTURE,
WATER RESOURCES AND RURAL DEVELOPMENT,
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CONTENTS

Page

CHAPTER ONE:	INTRODUCTION	
1.1	The Role of the Agricultural Sector	
1.2	Evaluation of Agricultural Sector's Performance	
1.2.1	Agriculture's Share of the Gross Domestic Product	
1.2.2	Employment generation in the Agricultural Sector	
1.2.3	Source of Foreign Exchange Earnings	
1.2.4	Food for an increasing Population	
1.2.5	Raw Materials for industries	
1.2.6	Market for the Products of the Industrial Sector	
1.3	Problems of the Agricultural Sector	
1.3.1	Technical problems	
1.3.2	Socio-Economic Problems	
1.3.3	Organisational Problems	
1.3.4	Institutional Problems	
1.4	Objectives of the Agricultural Sector	
1.5	Outline of Presentation	
CHAPTER TWO	MACRO POLICIES AND AGRICULTURE	
2.1	Pricing Policy	
2.2	Trade Policy	
2.3	Exchange Rate Policy	
2.4	Agricultural Land Policy	
CHAPTER THREE	AGRICULTURAL SECTOR POLICIES AND STRATEGIES	
3.1	Food Production	
3.1.1	Food Crop Production	
3.1.2	Livestock Production	
3.1.3	Fish Production	
3.2	Industrial Raw Material Production	
3.2.1	Industrial Crop Production	
3.2.2	Agricultural By-Products	
3.3	Forest Products and Wildlife	
CHAPTER FOUR	POLICY ON SUPPORT SERVICES	

- 4.1 Agricultural Extension Technology Development and Transfer
- 4.2 Agricultural Credit
- 4.3 Agricultural Insurance
- 4.4 Agricultural Produce Marketing
- 4.5 Agricultural Commodity Storage
- 4.6 Agricultural Commodity Processing
- 4.7 Agricultural Research
- 4.8 Agricultural Cooperatives
- 4.9 Land Resources
- 4.10 Pest Control
- 4.11 Agricultural Mechanisation
- 4.12 Water Resources Development
- 4.13 Rural Infrastructure
- 4.14 Agricultural Strategic and Data Bank
- 4.15 Agricultural investment and Management Advisory Services
- 4.16 Agricultural Manpower Development and Training

CHAPTER FIVE: ROLES AND RESPONSIBILITIES

- 5.1 Responsibilities of various Tiers of Government
 - 5.1.1 Federal Government
 - 5.1.2 State Government
 - 5.1.3 Local Government
- 5.2 The Role and Responsibilities of the Private Sector
- 5.3 Mechanism for Periodic Policy Review
 - 5.3.1 Policy Stability
 - 5.3.2 Perspective Plan

CHAPTER ONE

INTRODUCTION

Before the decade of the 1960s, the dominant role of agriculture in Nigeria's economy was taken for granted. With very little support from government, Nigerian agriculture was able to grow at a sufficient rate to provide adequate food for an increasing population, raw materials for a budding industrial sector, increasing public revenue and foreign exchange for government and employment opportunities for an expanding labour force. The little support provided by government for agricultural development was concentrated on export crops like cocoa, groundnut, palm produce, rubber and cotton as self-sufficiency in food production seemed not to pose any problem worthy of public attention.

Indications of problems in the Nigerian agriculture, however, started to emerge as from the first decade of the country's independence (1960 – 69). These indications were clearly evident from increasing food supply short-falls, rising food prices and declining foreign exchange earnings from agricultural exports. However, not much rational concern was shown because the problems were thought to be the temporary effects of a series of crises which eventually culminated in the civil war (1967 – 70).

The second decade of Nigeria's independence (1970 – 79) witnessed a rapid deterioration in the country's agricultural situation. Not only were there widening food supply-demand gaps and rising food import bills, there were also rapid declines in government revenue from agriculture, in foreign exchange earnings from agricultural exports and in the labour force required in agriculture. The situation was further compounded by the residual effects of the civil war, severe droughts in some parts of the country, government fiscal and monetary policies and above all, an "oil boom" which created serious distortions in the economy and accelerated the rate of migration of labour from agriculture.

In an effort to tackle these serious problems, government initiated a number of agricultural policies, programmes and projects, largely within the framework of three successive rational development plans from 1970 to 1974, from 1975 to 1980 and from 1981 to 1985. Experience from these policies, programmes and projects have however, convinced the government and all those concerned with agricultural development efforts in Nigeria that there is no alternative to well-designed and articulate agricultural policies as instruments for promoting agricultural growth and development in Nigeria. It is therefore, in realization of this fact that the government has adopted a comprehensive package of policy instruments to further develop and improve the

performance of the country's agricultural sector. These policy instruments are expected to remain valid for about fifteen years that is up to year 2000 A.D

1.1 The Role of the Agricultural Sector

Agriculture has traditionally been characterized as the "mainstay" of the Nigerian economy with many assigned roles to perform in the course of the country's economic development. Among the roles conventionally ascribed to the agricultural sector in a growing economy are those of

- (i) Providing adequate food for an increasing population
- (ii) Supplying adequate raw materials to a growing industrial sector
- (iii) Constituting the major source of employment
- (iv) Constituting a major source of foreign exchange earnings: and
- (v) Providing a market for the products of the industrial sector

The evaluation of the performance of the Nigerian agricultural sector should therefore be based on the extent to which these above-named roles have been satisfactorily performed. In addition, the overall importance of agriculture in the economy as indicated by the agricultural sector's share of the Gross domestic Product (GDP), should be critically examined.

1.2 Evaluation of Agricultural Sector's Performance

1.2.1 Agriculture's Share of the Gross Domestic Product

In the 1960 – 69 period, the agricultural sector's share of which will ensure that agricultural resources and services are directed to small-scale farmers with a view to improving their resources productivity and increasing their agricultural output. This will be promoted through the net work of Agricultural Development Projects (ADPs).

(a) The government is however, aware of the limitations of a small-scale farming strategy in an environment marked by a steady outflow of young able bodied farm workers from the rural areas and the ageing of the farming population left behind. In the circumstance, reliance on the small-scale farming strategy alone may provide only a short-term solution to the country's agricultural problems unless government policies succeed in inducing a backward flow of the youths into farming. Taking this factor into consideration, government will pursue a concurrent strategy of fostering the development of medium-scale and large-scale commercial agricultural production systems to complement the small-scale strategy.

(b) **Medium/Large-Scale Farming:** It is believed that Nigeria will witness a steady decline in the number of small-scale farmers and a gradual increase in the average size of farms in the coming decades. In recognition of this fact, government will pursue a strategy which permits medium and large-scale farms to thrive side by side with small scale ones.

There are, however, other considerations that favour a large scale farming strategy. First is the belief that a large scale farming system offers the opportunity for land consolidation and offers a wide scope for increased productivity through the application of scientific management techniques, the use of modern inputs and the efficient utilization of productive farm resources due to economies of scale. Second is the relative ease and the low cost of handling and marketing large bulks of agricultural commodities produced under the large-scale farming system. Third is the employment generating potential of large scale farming in the rural areas not only directly through large-scale agricultural production activities but also indirectly through agro-allied industries that large-scale agricultural production establishment are likely to attract.

Therefore, where the pressure on land is not very great, potential large-scale farmers will be assisted to acquire land. Large-scale farmers will also benefit from a liberal import policy in respect of agricultural machinery, equipment and materials.

(c) **Backward integration:** Under this strategy, agro-industries will use modern small-scale contract farmers to undertake the production and supply of agricultural raw materials required by them. Contract farmers will be supplied with requisite inputs as loan in kind and with cash advances under an agreement to purchase the farmers' produce and withhold part of the revenue due to the farmers in payment for outstanding loans, (see section 2,2).

(d) **Back-to-the-Land:** Youths and school leavers will be attracted back to the land through a range of incentives and back-to-the-land programmes. The new farmers will constitute a corps of young enlightened people who will be receptive to new farming ideas and therefore, serve as agents of change in the rural areas. The strategy is to induce a backward flow of able bodied youths into farming.

3. **Input Supply**

(a) **Seed Supply**

The production of foundation seeds or improved crop varieties and their subsequent multiplication as commercial seeds will be adequately funded through the national seed service, state seed multiplication agencies, contract growers and other private commercial seed producers within the national seed rules and regulations. In this regard, the national seed service will carry out inspection and certification of commercial seed production throughout the country.

(b) Water Supply

Water supply for food crop production will be increased through the construction of irrigation structures, dams and boreholes in strategic food crop production zones

(c) Land Supply

This will be effected through appropriate land use and land resources strategies outlined in sections 2.4 and 2.9 of this document.

(d) Fertilizer Supply

- (i) Government strategy on fertilizer supply will be to ensure maximum capacity utilization in and the expansion of existing plants, to encourage the establishment of new plants to encourage the use of local raw materials for fertilizer production and to encourage the use of organic fertilizers by farmers.
- (ii) Government will provide necessary assistance for the importation of fertilizers. The procurement of fertilizers from both local and international markets will be made at the minimum costs possible while the distribution strategy will be directed at developing input transportation, storage and inventory management systems which minimize distribution costs as well as ensure that inputs get to the demand centres in the right quantity and at the right time.
- (iii) The responsibility for the procurement of fertilizer to farmers will be transferred to the private sector as rapidly as that sector is able to assume the responsibility. Government will however, continue to monitor and regulate prices and quality.

(e) Agro-Chemical Supply

Government strategy on agro-chemicals supply will be to encourage the establishment of plants to manufacture agro-chemicals in Nigeria, to encourage the use of local raw materials for the manufacture of agro-chemicals and to ensure the timely supply in adequate quantities of those agro-chemicals that are not locally manufactured by providing assistance for their importation.

(f) Plant Quarantine and Gene Banking

Government recognizes the Plant Quarantine Service as an inclusive agricultural organization of the Federal Government

- (i) The Plant Quarantine Service will continue to ensure that only clean, disease-free and pest free planting materials enter the country in accordance with the Agriculture (Control of importation) Act.
- (ii) The expansion of the plant Gene Bank will be vigorously pursued to conserve and maintain germplasm of all imported and indigenous crop species to evolve continuous supply of high quality germplasm to research institutes and other agencies.
- (iii) Government will continue to honour its international obligations by maintain the Plant Quarantine Service as a Regional Quarantine Station to protect this part of Africa as requested by the O.A.U.
- (iv) Some technical services like fumigation, chemical treatments, glasshouse quarantine processing, laboratory seed health testing and so on, that require high financial input will attract moderate changes as approved by the government.

4. **Input Subsidy**

- (a) Subsidies will be selectively granted on farm inputs, farm equipment and facilities and farm services to reduce the cost of agricultural production and if necessary, on agricultural product prices to enhance farmers' revenue. Subsidies will be granted on a declining scale and government will retain the option to phase them out at the appropriate time.
 - (i) Food crop production inputs to be covered by subsidy will include seed and seedlings, water supply, fertilizers, pesticides and herbicides
 - (ii) Farm equipment and facilities to be covered by subsidy are food crop processing and storage equipment and facilities, irrigation structure, dam and borehole construction, pumps, sprayers and other farm machinery and equipment.
 - (iii) Farm services to be subsidized include bush clearing, machine hire, agricultural extension services and pest and disease control services.
- (b) The Federal Ministry of Agriculture, Water Resources and Rural Development will develop a capacity for determining the prices of subsidized inputs from time to time. These prices will be published soon after annual budget announcements (ie not later than the end of January of each year), in the year they are applied.

- (c) Purchase of subsidized inputs will be from designated supply depots of either public or private sector establishments to facilitate the monitoring of compliance with set subsidized prices

- (d) Government will gradually shift emphasis from food crop input prices subsidy strategy to incentive product pricing strategy.

3.1.2 Livestock Production

a) Objectives

The general policy objectives of the livestock subsector is to put all available livestock resource into best use. This will be achieved through increased production either by expanding the resources base by increasing the productivity of the existing resources through systematic improvement of the national production system or both

Specific objectives of the subsector are:

- (i) to make Nigeria self-sufficient in the production of livestock products.
- (ii) improve the nutritional status of Nigerians through the domestic provision of high quality, protein-rich livestock products.
- (iii) to provide locally all necessary raw material inputs for the livestock industry.
- (iv) to allow for a meaningful and efficient use of livestock by-products
- (v) to improve and stabilize rural income emanating from livestock production and processing;
- (vi) to effectively protect the rural livestock farmer from the unpredictable vagaries and risks incidental to livestock production.
- (vii) To provide rural employment opportunities through expanded livestock production and processing; and
- (viii) To effect proper land use and maintenance of the ecosystem for expanded livestock production.

b) Targets

Government aims at attaining self-sufficiency in livestock production in the shortest possible time. Since, however, resources endowment and availability may not allow for the simultaneous achievement of such self-sufficiency in all classes of livestock at the same time, government plans to attain the equalization of demand for and supply of poultry meat in five years time, poultry eggs in four, sheep and goats in five, and dairy (milk) in four years. With respect to other classes of livestock and livestock products, government will allow more time for their self-sufficiency levels to be reached.

Meanwhile, all efforts will be put into ensuring adequate domestic supply of these to supplement the supply of the first category of livestock.

c) Strategies

1. Ecological Specialization

In recognition of the natural ecological zoning of the country which supports the raising of different kinds of livestock in different parts of the country, government will continue to encourage the production of various classes of livestock in those regions of the country with proven comparative geographical and production advantage. Government will however, not discourage the production of any class of livestock by any entrepreneur anywhere in the country in a bid to attain self-sufficiency within the targeted period. Consequently, government will provide necessary support facilities that will ensure effective livestock production by small-medium and large scale producers.

2. Sedentarisation

Government will emphasize the allocation of land to nomadic pastoralist who, over the years have become landless people. This will require government adjudication of land.

Government will therefore, pursue a legal acquisition of grazing lands for lease allocation to grazers. It will also zone available agricultural lands to provide a quota for livestock producers. In this respect, the Federal Government will ensure that land for the use and settlement of livestock owners is provided by each state government in all, a minimum of 10 percent of the country's land area will be legally acquired and constituted into grazing reserves for lease allocation to grazers.

3. Livestock Feeds

Government will ensure that livestock farmers are encouraged to practice various forms of fodder conservation techniques. It will in addition, provide adequate storage facilities for grains and strategic supplementary feed reserves as part of efforts to alleviate the effects of incessant drought. Finally, government will ensure the proper utilization of all agro-industrial by-products and crop residues which are found to be suitable for livestock feeding.

4. Livestock Breeding

A breeding policy which will provide for the selection and multiplication of the various indigenous beef breeds will be adopted by government. In respect of the dairy breeds, the thrust of policy will be to upgrade local breeds through the use of exotic breeds (mainly the Jersey and Holstein Friesians) to a level not exercising 50 percent to maintain hybrid vigour for sheep and goats, the breeds. Although poultry and pigs industries are based on existing exotic breeds, efforts will be made to develop a Nigerian foundation stock of poultry and pigs

5. Animal Health

Government will aim at alleviating animal health problems within the country through the encouragement of international

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- (c) Variable inputs and farm consumables such as animal feeds, veterinary drugs and vaccines and water
- (d) Farm services which will include animal pest and disease control and veterinary services

3.1.3 Fish Production

a) Objectives

The objectives of the national fisheries policy are:

- i) the achievement of self-sufficiency in fish production within five years
- ii) the development and modernization of the means of fish production, processing, storage and marketing by the adoption of improved technology and management practices;
- iii) the promotion of export trade in shrimps, crabs, oysters, periwinkles and shark fins;
- iv) improvement of the quality of life in fishing villages through the provision of fisheries infrastructure and basic utilities such as portable water, schools, electricity, health centres, roads, and so on;
- v) provision and improvement of employment opportunities in the rural areas by engaging the rural population and school leavers gainfully in fisheries and ancillary functions;
- vi) the acceleration of research on all aspects of fisheries with a view to determining the potentials and parameters for development and management;
- vii) consolidation and improvement in existing training programme designed for the development of the manpower required to help meet the fish production targets;

- viii) promotion of fisheries curricula in the nation's institution of higher learning;
- ix) ensuring the proper utilization of all agro-industrial by-products of crops and animal residues which are found to be suitable for culturable fish species;
- x) encouragement of private entrepreneurs through training and provision of credit for the development and multiplication of various indigenous culturable fast growing fish species for seed production; and
- xi) rapid development of aquaculture

b) Targets

Government aims at achieving self-sufficiency in fish production within five years of implementing programmes based on these policy guidelines

c) Strategies

1. Production Mode

Government will continue to encourage the production and harvesting of fish from deep sea trawling, fresh water and artisan resources. In addition, the development of aquaculture in those ecological zones best suited will be given special emphasis

2. Provision of Economic Incentives

Government realizes that to promote investment in an otherwise risky venture, various economic incentives have to be provided. In this regard, the following economic incentive measures will be adopted.

- a) The procurement and distribution of fishing inputs to fishermen and fish farmers. Emphasis will be on availability of inputs in sufficient and quantity and quality and in markets close to the fishing settlements.
- b) Loans will be provided to fishermen and fish farmers at interest rate which are comparable with those that obtain in the other sub-sector of agriculture
- c) The existing tax holiday for investors in the fishery sub-sector will be maintained.
- d) Concessionary duties will be applied to all fishery-specific inputs
- e) Regular training courses will be encouraged and organized for private fish farmers.

3. Fish Investment Services

As part of the general measure to promote private investment in the sub-sector, the Federal Department of Fisheries will develop a capacity for assisting investors through the provision of information materials on both capture and culture fisheries as well as on overseas market requirements and prices, especially to fish and fish product exporters.

4. Fisheries Organisations

The creation of result oriented organizations is a sine-qua-non to rapid economic development. As a key policy instrument, therefore, new fisheries institutions will be created in addition to the existing ones. Government measures in this regard, will include the following:

- (a) Promotion of viable cooperatives among the fishing populace, beginning with primary units to tertiary organizations.
- (b) Establishment of community block fishing groups of other such bodies in fishing communities.
- (c) Organisation of private investors engaged in industrial fishery into a strong body so as to utilize fully the opportunities provided by the fishing right agreements which the government has already signed with a number of African countries

5. Input Supply

Government will assist in the supply of fish seeds and fingerlings, nets, lofts, fishing crafts, boats, hook and lines, floats and sinkers. Government will encourage the local production of those inputs that can be manufactured within the country and facilitate the importation of those that cannot be locally produced yet. In all cases, the quality of all inputs will be adequately controlled to ensure the supply of high-quality inputs.

6. Input Subsidy

Government will assist in the provision of following fishery development and production inputs:

- a) Pond construction, landing jetties, fishing terminals and lofts
- b) Outboard/inboard engines, nets, hooks and lines, floats and sinkers and fishing boats
- c) Fish seeds and fingerlings and fish feed
- d) Fishermen training activities

7. Regulation and Enforcement

As a fishery industry matures into a steady state of development, there is always the tendency of over exploitation unless rules and regulations exist and are effectively enforced to prevent the depletion of the fish resource in this regard, existing government rules and regulations and the material and manpower resources to enforce them will be upgraded and made more effective. Additional petrol vessels will be purchased and qualified personnel recruited. Other government agencies such as the Navy will continue to be mobilized for effective policies. As regards in land captured fishery, evidence shows that not all states have laws to prevent over exploitation and the use of obnoxious fishing methods. The Federal Government will therefore, assist all the states in the promulgation of necessary laws to prevent over fishing and also assist in the setting up of the necessary enforcement machinery.

8. Improvement of the Quality of Life in Fishing Areas

Although the major thrust of government policy is the achievement of sustained increase in the quantum of fish output, it is believed that the environment in which production activities take place has a direct effect on overall productivity. At present, many fishing settlements are lacking in such amenities as medical facilities, schools and water supply. In order to improve the quality of life and enhance productivity in these settlements, therefore, government will make deliberate effort through integrated Rural Fisheries Development Projects to ensure the provision of these social amenities as well as production related facilities in the major fishing settlements. One of the ways of doing this will be through the incorporation of a fisheries component into the ADP programme.

3.2 Industrial Raw Material Production

3.2.1 Industrial Crop Production

a) Objectives

The major objectives of industrial crop production policy are:

- i) Self-sufficiency in the production of industrial crops required as raw materials for industries
- ii) Increases in the production and processing of industrial crops for export
- iii) Improvement in productivity through the introduction and adoption of improved technology and more efficient utilization of farm resources;

- iv) Reduction in the risk and uncertainties associated with industrial crop production; and
- v) Modernization of the structure and organization of industrial crop production.

b) Targets

The targets are the complete local sourcing of industrial crop raw materials in five years and the revival of their export, especially in processed forms, soon after. In this regard, the major crops that will receive the focus of policy action are as follows:

1. Cereals, especially maize, rice, sorghum and millet, which are required in large quantities for feed milling, for flour milling, in breweries and in other industries.
2. Roots and tubers, especially cassava, which when processed can be used as substitute for wheat flour in bakeries and in the manufacture of starch for textile industries
3. Oil seeds and nuts which can be processed into a variety of vegetable oils, feed concentrates, and so on
4. Vegetables and fruits for use in canning and bottling industries
5. Sugar which has a wide range of industrial uses
6. Industrial fibres which are required in textile and related industries
7. Other industrial crops such as cocoa and coffee used in beverage industries.

c) Strategies

1. Production Mode (see subsection 3.1.1)

- a) Small-scale medium scale and large scale farming strategies will be adopted in the promotion of industrial crop production
- b) Agro-industries will be encouraged to accelerate the process of completing the local sourcing of their agricultural raw materials through a backward integration strategy.

- c) Youths and school leavers who will be attracted back to the land under various back to land programmes of state governments will be encouraged to produce industrial crops.

2) **Input Supply (see subsection 3.1.1)**

Government policy strategies on crop input supply and distribution will also apply to industrial crops. Industrial crop inputs to be supplied under various input supply strategies include seed and seedlings, irrigation water where applicable, land, fertilizer and agro-chemical. Also government plant quarantine and gene banking services will cover industrial crops as much as practicable.

3) **Input Subsidy**

- a) Subsidies will be granted on industrial crop production inputs, farm equipment and facilities and farm services, where they are considered critical for the attainment of self-sufficiency in the shortest possible time.
 - i) Industrial crop production inputs to be covered by government subsidies are seeds and seedlings, water supply, fertilizers, pesticides and herbicides.
 - ii) Farm equipment and facilities to be covered are industrial crop processing and storage equipment and facilities, irrigation structures, dam and borehole construction, pumps, sprayers and other farm machinery and equipment in the sense that full cost recovery measures may not be immediately pursued.
 - iii) Farm services to be subsidized include bush clearing, machine hire, agricultural extension services and pest and disease control services.
- b) The activities of the Ministry on the prices of subsidized inputs will also cover industrial crop inputs (see subsection 3.1.1)
- c) Government will gradually shift emphasis from industrial crop production input price subsidy to incentive product pricing essentially through market forces.

3.2.2 **Agricultural By-Products**

a) Objectives

Government's objectives for the agricultural by-product policy are:

1. to ensure an effective and efficient utilization and conversion of such agricultural by-products as crop and fish by-products and wastes, bones, blood, horns and hoofs, visceral waste, feathers and hides and skins into other utilizable products like bone meals, fish meal, fish oil, tooth fillings, glue, blood meal, pillows, leather and so on.
2. to promote environmental sanitation through the prevention of pollution of the environment with agricultural by-products and
3. to generate foreign exchange through the exportation of processed agricultural by – products.

b) Targets

Government aims at meeting the internal demand for such processed agricultural by-products as bone meal, blood meal, fish meal, and so on in the shortest time possible and in any case not later than five years with respect to most of them.

c) Strategies

1. By-Product Market

Government will encourage the development of a viable national market for agricultural by-products through private sector activities

2. Abattoir Development

Government will construct modern abattoirs, slaughter houses and slabs in cities, towns and village communities.

3. Quality Control

Government will ensure that good quality standard is maintained with respect to all agricultural by-products as well as the processed products.

3.3 Forest Products and Wildlife

a) Objectives

The policy on forest products and wildlife will aim at achieving self-sufficiency in wood products through the employment of sound forest management principles and techniques as well as the mobilization of human and material resources.

The objectives are as follows:

1. Consolidation and expansion of the forest estate in Nigeria and its management for sustained yield;
2. Forest conservation and the protection of the environment – soil, water, air, flora and fauna for effective and sustained use.
3. Regeneration of the forest at a rate higher than that of exploitation
4. Reduction of waste in the utilization of forest and forest products to a tolerable level at all stages of exploitation, transportation, processing marketing and end-uses
5. Production of the forest estate from forest fires, poachers, trespasses and unauthorized grazers
6. Encouragement of private forestry by establishing necessary incentive and guidelines
7. Creation of man-made forests in various locations and ecological zones for specific end uses including firewood, pulpwood and amenities
8. Increasing employment opportunities in the sub-sector
9. Development of national parks, game reserves and wilderness recreational facilities.
10. Development of non-woody forest resources which are of significance to local economies and the encouragement of Agro-forestry practices.
11. Cooperating with other nations in forestry development.
12. Encouragement of alternative sources of energy other than wood and the development of more efficient methods of wood energy use

b) Targets

Quantitative targets for forest products cannot be established because of the heterogeneity of the products and the fact that most of them are produced from natural, uncultivated forests. But, as a qualitative target, Nigeria will aim at self-sufficiency in forest products in the short-run. The existing wood products will be resuscitated in the long run.

c) Strategies

1. Ecological Specialization

The ecological diversity of the country offers a unique opportunity for ecological specialization in the range of forest products that are best suited to different ecological zones and in the types of parks, game reserves and wilderness recreational facilities that should be established in different zones. This ecological specialization will be encouraged.

2. Production Mode

All modes of production that can contribute to the achievement of the objectives of government policy on forest products and wildlife will be promoted. In this regard, the thrust of policy strategy will be aimed at promoting greater and sustained forest production for industrial and protective purposes and fostering effective forest and wildlife resources management.

Specifically, the following strategies will be employed.

- a) Effort will be made by government to increase the amount of

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CHAPTER FOUR

POLICY ON SUPPORT SERVICES

4.1 Agricultural Extension, Technology Development and Transfer

1. Objective

The major objective of the agricultural extension and technology transfer policy of the government is to teach the rural people to raise their standard of living with minimum assistance and by their own efforts. Government will therefore, be concerned with the dissemination of useful and practical information relating to agriculture, the practical application of such knowledge and the mobilization of farmers' resources for the purpose of improving their welfare.

2. Strategies

While it is recognized that the agricultural extension system in the country is at present plagued by administrative, manpower and financial problems, government is committed to overcoming these problems in a bid to assist small-scale farmers. The state government whose responsibility it is to mobilise the farmers will be assisted through the following policy strategies:

- i) The provision of adequate training facilities and infrastructure for effective extension service
- ii) The establishment of an effective communication channel among researchers, extension agents and the farmers
- iii) The effective utilization of extension service as agents for technology transfer
- iv) The establishment of demonstration farms and rural processing demonstration centres for crops, livestock, fisheries and forestry
- v) Encouragement of the private sector to invest in agricultural information dissemination.

4.2 **Agricultural Credit**

1. Objective

The objective of agricultural credit policy is to make adequate investment funds available to the agricultural sector at the right time and at such rates as will make returns from agriculture more attractive than before

2. Strategies

A two ranged policy approach will be adopted. The first involves a structural adjustment in fiscal and monetary policies as they affect the agricultural sector. The second involves changes in the operation of existing institutions set up to provide agricultural loans

a) Adjustments in fiscal and monetary policies will involve

- i) an increase in sectorial allocation of loans and advance to agriculture from 15 percent to about 25 percent
- ii) the graining of grace periods and moratorium on agricultural loans in accordance with the gestation periods of the projects. As such, moratorium and grace periods will be two years for sectorial crops, poultry and piggery and five years for tree crops, cattle breeding and ranching
- iii) revision of interest rates to enable the Nigerian Agricultural and Cooperative Bank (NACB) obtain funds from sources outside the Central Bank
- iv) a government regulation which make it mandatory for banks to grant loans of up to 50 percent of the deposit generated in areas under rural banking scheme to borrowers in the rural areas and
- v) a government monitoring system to ensure that credit guidelines are achieved to

b) Changes in the operation of lending institutions will involve

- i) an increase in the number of branches and share capital of the Nigerian Agricultural and Cooperative Banks so as to penetrate the rural areas and mobilize rural savings;
- ii) the abrogation of the requirement of tangible securities such as the Certificate of Occupancy and survey plan and the substitution of Customary Occupancy Rights as collaterals for agricultural loan procurement by small-scale farmers, and
- iii) the establishment of rural socialized banks (State Agricultural and Cooperative Banks) with the Nigerian Agricultural and Cooperative Bank (NACB), cooperatives and farmers' organizations taking majority equity shares and state governments having minority shareholding. These banks will operate as on-lending institutions for channeling NACB and other bank loans to the farmers

4.3 Agricultural Insurance

In 1984, government identified as a major problem in credit administration to small-scale farmers the inability of these farmers to provide the required collateral security which under the Agricultural Credit Guarantee Scheme, are indemnified only up to 75 percent of accruable bad debts. In order to obviate this problem of lack of loan securities of the part of small-scale farmers, government will establish an agricultural insurance scheme for the benefit of the small scale farmers in particular

1. Objectives

The major objective of agriculture insurance will be the protection of Nigerian farmers against the effects of natural hazards through the operation of a mechanism that ensures quick indemnity (compensation) sufficient to keep these farmers in business as well as provide necessary back-up to government policies on agricultural development. It is also intended to make loans available to farmers and improve loan recovery.

2. Strategies

- i) Insurance will be made compulsory for agricultural loan beneficiaries although self-financed farmers will also benefit from the scheme. Small-medium and large scale farmers will be eligible through membership in farmers' cooperatives and other organized farmer groups
- ii) Initial coverage will encompass all aspects of crop and livestock production in all the ecological zones of the country with subsequent expansion to fisheries, forestry and other agricultural endeavours

- iii) The establishment and initial funding of the agricultural insurance scheme will be spear headed by the Federal Government, although state governments and organized private sector will participate in the funding and play complementary roles in the implementation
- iv) Insurance Companies will be expected to mobilize funds for investment in agriculture, thus helping to encourage agriculture production

4.4 **Agricultural Products Marketing**

1. Objectives

The objectives of the produce marketing policy will be

- i) the efficient distribution of agricultural produce such that seasonal variations are minimized and supplies are made even and reliable throughout the country at affordable prices; and
- ii) encouragement of the export of all exportable agricultural products

2. Strategies

In view of the fact that commodity marketing boards and the regulated pricing of scheduled agricultural commodities have been phased out, government will make adequate arrangement to promote a free, fair and competitive marketing regime for agricultural commodities. Under the new policy, the following strategies will be adopted

- i) Individuals, processors, cooperatives, associations and limited liability companies will be free to export agricultural commodities
- ii) However, all affected commodities will be subjected to grading and certification by State and Federal Produce Inspection Services to maintain acceptable quality standards

In addition, commodities will be subjected to normal customs examination before exportation

- iii) Government will offer a range of attractive incentives to commodity producers and exporters
- iv) Government will maintain a general surveillance over the free commodity market operations through the existing Technical Committee on Agricultural Produce and the Export Commodities Coordinating Committee both of which will be restructured for increased effectiveness. In addition, strong measures will be taken to prohibit any restriction to the interstate movement of commodities in Nigeria

- v) State Governments will operate a buffer stock scheme whereby agricultural commodities will be purchased and stored during periods of relative supply surplus for resale during periods of relative scarcity in order to stabilize agricultural prices.
- vi) Adequate encouragement will be given to the evolution of virile marketing cooperatives and commodity exchange market which will be principally private sector initiatives
- vii) Government will provide an appropriate framework for marketing research and the dissemination of market information concerning all agricultural products
- viii) Government will closely monitor and regulate all agricultural marketing activities particularly the marketing operations of all market associations to minimize the unwholesome activities of some of them
- ix) Government at all levels will continue to provide adequate infrastructures for the rapid development of agricultural marketing in this regard, efforts will be stopped up to open up more rural areas through the construction and maintenance of rural roads. Furthermore, the state and local governments will be encouraged to construct more rural markets and improve storage facilities in such markets

4.5 Agricultural Commodity Storage

1. Objectives

The objectives of policy are:

- (i) to enhance inter-seasonal and inter-year food price stability; and
- (ii) ensure a higher food security for the nation through efficient food storage programmes

2. Strategies

- (i) The government will explore all available means and technologies in order to encourage and assist farmers to undertake the on-farm storage of agricultural products. At the same time, the private sector will be encouraged to assemble and store surplus agricultural products
- (ii) The state government will store about 10 percent of the total grain output in each of their areas of coverage to be used as a buffer stock for price stabilization. For its part, the Federal Government will also store a

maximum of 5 percent of the total grain output in the country specifically as a strategic grain reserve.

- (iii) Encouragement will be given for the immediate processing of perishable agricultural products while appropriate technologies will be developed for their storage in fresh forms.

4.6 Agricultural Commodity Processing

1. Objectives

- (i) To widen the demand base for agricultural commodities and hence, accelerate the rate of growth of the agricultural sector
- (ii) To preserve perishable agricultural commodities thereby reducing their level of waste and the degree of their seasonal price fluctuations, and
- (iii) To diversify employment opportunities in rural areas through the establishment of rural-based small-scale agricultural commodity processing industries

2. Strategies

- i) Government will promote investment in agro-processing, especially in rural areas, through credit facilities, infrastructural facilities and other incentives to investors
- ii) Research into the appropriate agro-processing technology which is best adapted to the small-scale system of agricultural production in Nigeria will be promoted.
- iii) Agricultural producers will be encouraged to form agro-processing cooperatives for the purpose of collectively processing their produce
- iv) Enlightenment programme will be designed by government to acquaint small investors with the economic opportunities that are latent in simple, cottage agro-processing activities in Nigeria.

4.7 Agricultural Research

In designing an agricultural research policy, government will ensure that research is geared towards the relevant and practical needs of Nigerian agriculture.

1. Objectives

The objectives of research with respect to agricultural development will include:

- i) the development of improved and high yielding production materials such as seeds, seedlings, fingerlings and so on.

- ii) the development of appropriate technologies in the areas of land preparation, planting, harvesting, processing and storage of farm produce which are not only efficient and economical but also capable of reducing the usual drudgery of farming
- iii) the development of appropriate technologies for the optimum utilisation of farm input such as fertilizers, herbicides, pesticides and so on, to increase production potentials without adverse effects on man and his environment;
- iv) the provision of appropriate technology and package of practices for optimum production and for the general improvement of the quality of life of the rural farming community.

2. Strategies

- i) Government will ensure that research institutions and other bodies involved in agricultural research conduct research and develop technologies which are relevant to the needs of the Nigerian farmer. Such research bodies will also ensure that the results of their researches are passed on to the end-users
- ii) Government will ensure that research bodies are adequately funded over sustained periods to ensure the attainment of results. Research funding will as much as possible be tied to specific projects with targeted and measurable goals. In this regard, the Federal government will allocate not less than 3 percent of its annual budget to research while the private sector will be encouraged, through tax relief, to support problem-solving research.
- iii) A built-in mechanism designed to coordinate and monitor research activities will be evolved. This will take due cognisance of research priorities as well as emphasise farming systems research and the development of appropriate technologies for land preparation, cultural operations, crop harvesting, processing and storage
- iv) The supervision of these research institute will be carried out by a joint coordinating committee involving the Federal Ministry of Agriculture to bring research and development workers together. The secretariat of the committee will be based in the Federal Ministry of Science.
- v) Government will encourage a close liaison between research institutes and extension agencies to ensure the dissemination of research findings to users. To achieve this, a technical committee of research and extension workers will be formed.

4.8 Agricultural Cooperatives

Cooperatives generally are well-developed and have been functioning in the country since 1935. Agricultural cooperatives are, however, a more recent area of emphasis whose development has only been streamlined by the country have been more clearly defined

1. Objectives

The primary objectives of Government on agricultural cooperatives are:

- i) to evolve a virile system which facilitate their practice and use in agriculture as an effective vehicle for social and economic development at the grass-root level throughout the federation; and
- ii) to use agricultural cooperatives as a machinery for rural transformation and development which will affect the various aspects of rural life.

2. Strategies

These objectives will be achieved through:

- i) the intensification of agricultural cooperative education, training and public enlightenment at all levels in order to bring about increased participation and involvement by farmers and other rural people in the cooperative movement, and enhance the decision-making process of rural people in order to improve their general welfare.
- ii) the use of the agricultural cooperatives to achieve increased domestic production of food and fibre, industrial raw materials and manufactured products and he equitable distribution of inputs, farm products and other commodities;
- iii) the use of agricultural cooperatives to widen the democratic base in the local communities through cooperative participation and efforts aimed at enhancing personal achievement and satisfaction, and promoting social understanding and political unity for all the people, and
- iv) a methodical and gradual withdrawal of government's direct involvement in the day-to-day management and running of these cooperatives to the detrimental extent of interfering with and/or controlling their normally private activities. In this regard, government's role in cooperative development will be to create and maintain a conducive social-economic framework and environment within which co-operators can help themselves.

4.9 Land Resources

1. The objective of land resources policy, is to rehabilitate those areas of the country that are now affected by drought, desert encroachment, soil erosion and

flood and to prevent the spread of these natural disasters to other areas through effective protection measures.

2. Strategies

- i) In the interest of the generally of farmers, Government will ensure that no single individuals or organisation will be allowed to acquire more than 2,000 hectares of land
- ii) To complement current government efforts in arid zone afforestation, soil survey and land evaluation, erosion control, soil fertility survey and assessment and the establishment of an earth resources data centre, government will enlist the assistance of private companies and international organisations to combat the harsh effects of these natural disasters
- iii) Appropriate measures will be taken to mobilise and educate the public in the control of land degradation generally;
- iv) Government will ensure that a continuous inventory and assessment of land resources is carried out so as to put them into their optimum use and monitor changes in their potentials for agriculture;
- v) Government will enact legislation to control the quality and quantity of agro-chemicals including fertilizers as well as physical factors applied to land in order to protect it against degradation and pollution;
- vi) Government will encourage training in land management and conservation in all post-primary educational institutions to meet the manpower needs in land resources, science and arts
- vii) Land management committees will be established in all states to advise on agricultural land use;
- viii) The Federal and State Governments will produce regional land use maps which will help in providing land to individuals, commercial farmers and other entrepreneurs in such a way that peasant farmers will be catered for.

4.10 Pest Control

1. Objectives

The objectives of the pest control policy are:

- i) to control, and/or eradicate and maintain good surveillance of the major economic pests whose outbreaks are responsible for large-scale damage/loss to agricultural production; and
- ii) to provide protection to man and animals against vectors of deadly diseases.

2. Strategies

In order to ensure the attainment of these objectives, government will undertake to:

- i) constantly monitor the national crop and animal pests and diseases, the occurrence of which out across states and international boundaries such that an early warning system will draw attention to any build-up;
- ii) develop the capacity to direct outbreaks early enough, and then organise and supervise control operations using all the necessary and available resources;
- iii) mount educational programmes that will make farmers realise the need for early warning of pest or disease outbreaks and also involve them in the adoption of basic control methods;
- iv) assist farmers in determining and assessing losses caused by pests;
- v) enter into agreements with neighbouring countries to control and maintain good surveillance along the common borders; and also seek international assistance or mutual cooperation with the objective of controlling pests of economic importance without endangering our national security;
- vi) carry out investigations in collaboration with research institutions and Universities on the biology and ecology of economic pests in any geographical zone and determine the best methods of control;
- vii) intensify manpower development so as to produce pest control personnel with high degree of skill and specialised knowledge capable of accomplishing the objectives;
- viii) encourage/assist state governments to establish their own pest control units to complement federal efforts; and
- ix) monitor the type and use of chemicals imported or produced locally, and take all necessary measures to ensure their safe utilisation.

4.11 Agricultural Mechanisation

1. Objectives

The main objective of policy is to reduce the drudgery of agriculture by providing mechanical power to replace some of the labour required in agricultural business. It is also the objective of policy to reduce the high cost of agricultural production which arises largely from high labour wage rates and the high share of labour cost in the total cost of agricultural production.

2. Strategies

- i) The responsibility for land clearing for agricultural purposes will essentially be that of agencies of the state governments. In this regard, government will provide advice on proper agricultural land clearing methods as well as regulate the activities of all land clearing and development agencies;
- ii) Government will in appropriate cases, subsidize agricultural land clearing;
- iii) To promote privatisation of tractor hiring units, state governments will be encouraged to support a programme of assistance to entrepreneurs to enable them receive bank loans to set up private agricultural mechanisation enterprises and/or tractor hiring units (THUs) and repair workshops
- iv) Training will be provided to tractor and land clearing operators in the proper use of these equipment to prevent soil loss and reduce soil erosion
- v) The use of small motorized farm machines, ox-drawn equipment (animal traction) and processing equipment will receive greater attention than ever before. The identification of such machines and their local development and fabrication for the use of small-scale farmers will be promoted on a continuous basis government will also promote the local manufacture of medium and large size farm machinery for land preparation, crop cultivation, harvesting, processing and storage on large-scale farms.
- vi) The development of the National Centre for Agricultural Mechanization will be accelerated to enable it to perform its function of standardisation of farm machinery and equipment and the promotion of the production of locally designed prototypes;
- vii) Active encouragement will continue to be given to Universities, Polytechnics and Research Institutes in accelerating the development and local fabrication of suitable equipment for use by intermediate and small scale farmers. The participation of the private sector in the commercialisation of prototypes will continue to be promoted.

4.12 Water Resources Development

1. Objectives

- i) to undertake a comprehensive development of both underground and surface water resources for multi-purpose use;
- ii) to undertake schemes for the control of erosion or floods and for water shed management including afforestation;
- iii) to construct and maintain dams, dykes, polder wells, boreholes, irrigation and drainage systems and other works necessary for food production and human water needs;

- iv) to provide water from reservoirs and lakes for irrigation purposes to farmers and other groups of people as well as urban water supply schemes;
- v) to control the pollution of rivers, lakes, lagoons and creeks in the country; and
- vi) to assist in the development of fisheries and improve navigation on the rivers, lakes, reservoirs, lagoons and creeks in the country.

2. Strategies

In order to fulfill the above objectives, government will;

- i) retain all existing agencies for water resources development and exploitation such as the River Basin Development Authorities, State Water Boards, and so on, and streamline their operations to make them efficient and effective.
- ii) Continue implementing flood and erosion control and drought mitigation measures;
- iii) Pass a national water resources legislation to regulate the development and exploitation of water resources;
- iv) Recognise the long term nature of water resources projects and reflect this in a sustained funding;
- v) Adequately strengthen and fund the existing National Water Resources Institute, University and Polytechnics to enable them to play their expected roles in water resources and manpower development;
- vi) Encourage water resources agencies to develop their in-house capabilities for constructing water resources infrastructure, and
- vii) ensure the continued and more effective existence of the Lake Chad Basin Commission and the Niger Basin Authority.

4.13 Rural Infrastructure

1. Objectives

The objectives of rural infrastructure policy are:

- i) the improvement of the quality of life of the rural people with a view to stemming the tide of rapid rural urban population drift or, possibly, reversing it;
- ii) the promotion of more equitable distribution of public sector investments between the rural and urban areas;
- iii) the promotion of a sustained and orderly development of the vast resources available in the rural areas for the benefit of the rural population in particular and the nation in general; and,

- iv) the creation of an infrastructural base which is conducive to profitable investment in the rural areas

2. Strategies

- i) Government will promote the construction of new feeder roads and waterways to facilitate the opening up of new lands for development, enhance social interaction among the rural populace and enhance the ease of getting inputs to farmers and evacuating agricultural products;
- ii) Government will focus on the provision of potable water for rural inhabitants, drinking water for livestock and industrial water supply for rural-based industries;
- iii) Government will promote rural electrification as an amenity to rural dwellers as well as a stimulus to industrial development in the rural areas;
- iv) Government will provide adequate agricultural marketing, educational, health, postal, banking and recreational facilities to ensure a more fulfilling life for rural dwellers. The strategy will aim at eliminating existing disparities in the quantity and quality of social facilities between the urban and rural areas. It will also provide an institutional framework and a monitoring device for focusing the attention of responsible government ministries and agencies on the infrastructural needs of the rural population;
- v) Government will actively involve the rural communities themselves in the initiation and implementation of rural infrastructural development projects and the maintenance of rural infrastructure through self-help efforts. In this regard, cash and material grants will be offered to cover a percentage of the cost of rural self-help efforts, but also as a means of increasing national investment in the rural areas;
- vi) Large-scale farmers will be encouraged to support the development of rural infrastructure both for their own benefit and that of rural people in general.

4.14 Agricultural Statistics and Data Bank

Government recognizes that no meaningful planning can take place without adequate and reliable data. It is also recognized that the entire agricultural data collection, collation and processing require deliberate efforts;

1. Objectives

The primary objectives of the Government on agricultural statistics are, therefore:

- i) to reorganize various government agencies and departments to provide on a continuous basis accurate and timely data on agricultural output, prices, incomes, inputs, production costs and so on;
- ii) to adopt a system of agricultural census that will secure prepare, tabulate and release annual agricultural data on all aspects of agriculture on a fairly standard format throughout the states on a set date within each year, and
- iii) inculcate a statistics and record keeping culture in agricultural production;

2. Strategies

These objectives will be achieved through:

- i) the establishment of a Central Agricultural Development Data Bank to contain all data relevant to agricultural development and maintenance of it in such a manner that information retrieval from it will be easy, quick and reliable;
- ii) the strengthening of all statistical units in the various agricultural agencies and departments at all levels of government;
- iii) the involvement of private agencies and companies by government creating conditions that will facilitate data collection and dissemination from them. In this regard, government will use acceptable ways and means of compelling private companies to comply;
- iv) the establishment of a comprehensive National Remote sensing Centre which will among other things, focus on generating data on agricultural production, backed by an internal capability in the Ministry of Agriculture, Water Resources and Rural Development;
- v) the evolution of a national system for the continuous monitoring of all agricultural prices.

4.15 Agricultural Investment and Management Advisory Services

It has been observed that one of the greatest problems of commercial agriculture is the absence of proper advice and authentic sources of information on various aspects of agricultural enterprise management and operations. This has consequently affected private enterprise development in agriculture .

1. Objectives

The objectives of government therefore are:

- i) to encourage active participation of private investors in all facets of agricultural development; and,
- ii) to provide a conducive investment climate on a continuous basis for private entrepreneurs.

2. Strategies

In this connection, the following policy instruments will be employed:

- i) The Agricultural Investment Bureau already existing in the Federal Ministry of Agriculture, Water Resources and Rural Development will be strengthened to enable it undertake effectively the responsibility for agricultural investment promotion. It will deal with all bilateral and multi-lateral relations with reference to agricultural investment or aid. This service will also ensure proper records of prospective consultants, investors and all relevant agencies for ease of linkage as well as the materialization of investment proposals;
- ii) Government will encourage and coordinate existing Agricultural Management – Advisory Service(s) in order to cater for the needs of commercial farming groups, especially medium and small-scale farmers in all the 21 States and Abuja/

4.16 Agricultural Manpower Development and Training

1. Objectives

The objective of policy is to increase the number of trained cadres of agricultural Manpower in the country and improve their stock of knowledge in all areas of agriculture in order to ensure that all farmers who need extension services are effectively covered.

2. Strategies

- i) Policies will be directed at accelerating the training of various cadres of agricultural workers, from vocational to professional level. It is envisaged that, over the next five years, adequate number of trained manpower will be available for both public and private sectors;
- ii) Regular training will also be organized for farmers in all subsector of agriculture;

- iii) In aiding the continuous pursuit of new knowledge in agriculture and all its related disciplines, government will foster by education and public enlightenment the fullest understanding among Nigerians, of the value of agriculture and its related branches;
- iv) Government will also encourage and foster the development of professional and post-graduate training in agriculture by providing adequate funds and ensuring the optimum utilisation of existing infrastructure and equipment in all agricultural institutions of higher learning;
- v) In order to reinforce and enhance the effectiveness of the "back-to-the-land" programme in many parts of the country, facilities will be provided for the on-the-job training of recruits into the programme

CHAPTER FIVE

5.0 ROLES AND RESPONSIBILITIES

The successful implementation and enforcement of the entire bod of agricultural policies of this country hinge crucially on the national, state and local institutions designed and established for agricultural development. It will be their responsibility to ensure that government's goals in agricultural development are fulfilled in line with set objectives and operational modalities.

5.1 Responsibilities of Various Tiers of Government

In order to reduce areas of overlap and duplication of efforts between the three tiers of government in the country, the responsibilities of the Federal, State and Local Governments are clearly indicated in this section. The exact mode of operation in some of the areas of intervention are contained in subsequent subsections.

5.1.1 Federal Government

The main areas of direct involvement of the Federal Government will be:

- i) the provision of the general policy framework within which agriculture will develop and guidance to state and other public agencies on areas of emphasis for investment, particularly in strategic products;
- ii) research into all facets of agriculture, including the provision of breeding stock and foundation seeds of improved varieties, brood stock and improved fast-growing hybrid species as well as fish seed;
- iii) the control of pests and diseases of national and international significance;
- iv) the development of water resources, including the construction and maintenance
- v) of small, medium and large dams for irrigation aquaculture (fish farming), rural water supplies and other uses and the construction of boreholes; maintaining strategic grains and animal product reserves for purpose of food security;
- vi) the establishment and maintenance of a national capability for animal and fish diseases control through a virile Federal Veterinary and Public Health Service;
- vii) advise on agricultural produce tariff and pricing policy through representations in appropriate policy formulation committees
- viii) the promotion of sale of exportable agricultural produce outside the country;
- ix) the maintenance of a reasonable flow of resources into agriculture and rural development by way of matching grants, subventions and investments in Federal, joint Federal and State, State and other specialized projects and by creating conditions which facilitate resources flows from other sources.
- x) the training of manpower for agricultural development;

- xi) the establishment of an Agricultural Insurance Scheme;
- xii) the promotion of appropriate technology in agricultural production, preservation, processing and storage through the development of prototypes and pilot projects as a follow-up to research inventions;
- xiii) the coordination of the nation's forest development efforts including forest resources development and utilization afforestation, wildlife conservation and management;
- xiv) the coordination of data collection; and
- xv) the inventorisation of land resources through soil survey and soil fertility mapping and the control of land use and land degradation for effective soil conservation;

5.1.2 State Governments

The state governments will be primarily responsible for the following activities;

- i) The promotion of primary production of all items of agricultural produce (including crops, livestock and fisheries) through;
 - a. The maintenance of a virile and effective extension of service which can deal with problems of production, preservation, storage, processing and marketing; and
 - b. The promotion of the production of inputs for crops, livestock, fish and forestry using the combined activities of government and private agencies
- ii) Ensuring access to land by those who wish to engage in farming;
- iii) The training of manpower for agricultural development
- iv) The control of plant and animal pests and diseases
- v) The establishment of appropriate institutions for administering credit to small scale farmers, pastoralists, fishermen and fish farmers
- vi) The maintenance of buffer stocks of agricultural produce for purposes of price stabilization
- vii) Investments in rural development, including rural roads and water supply so that the standard of living of rural dwellers is improved;
- viii) Ownership, management and control of forest estates held in trust for the local communities;

5.1.3 Local Governments

The Local Government authorities will be expected to take over progressively the responsibility of the State Government with respect to;

- i) the provision of an effective agricultural extension service;

- ii) the provision of rural infrastructure;
- iii) the mobilization of farmers for accelerated agricultural and rural development through cooperative organisations and the communities;
- iv) the provision of land for new entrants into farming in accordance with the provisions of the Land Use Decree; and
- v) the coordination of data collection at the primary levels

5.2 The Roles and Responsibilities of the Private Sector

The philosophy of government is that agriculture is essentially a private-sector activity with the government playing largely support roles and providing facilitating services. In this regard, the private sector will be expected to spear-head the drive for the realization of the objectives of agricultural policies in Nigeria. In particular, the private-sector will be expected to play a leading role with respect to:

- i) investment in all aspects of agricultural production;
- ii) agricultural produce storage, processing and marketing;
- iii) agricultural input supply and distribution;
- iv) agricultural mechanization
- v) provision of certain types of rural infrastructure; and
- vi) support for research in all aspects of agriculture.

5.3 Mechanisms For Periodic Policy review

Having dealt with the issues of institutional design, it becomes necessary to highlight the mechanisms through which the policy objectives, instruments and strategy will be adequately and efficiently monitored;

Experience with agricultural policy in Nigeria shows that two important issues have to be given attention. The first is ;policy stability and continuity. The second is the need to be forward looking in planning. Both are briefly examined hereunder

5.3.1 Policy stability

Past agricultural policies in Nigeria have been characterized by frequent changes or instability. This instability results not from some unpredictable exogenous, factors but more often than not, from changes in government or in the personality of the operators of the system. When governments changes and different operators emerge on the scene, there is always the tendency for the value system underlining previous agencies to change. This is because formulation of these policies has never reflected the fundamental values and goals of the aggregate society nor were they formulated on the basis of principles that were of general acceptance to the populace.

Stability in policies which ensures that the objectives, strategies as well as the programmes which ensures derive from them remain valid over a reasonable length of time is a pre-condition for the success of the new economic order in Nigeria. While, therefore, this is not intended to be a rigid policy document as it is expected that over time, such modifications or revisions in policies that may be induced by unforeseen circumstances, external factors, and unavoidable errors will be made, government realizes that continuity of policy and its attendant programmes is of crucial importance to investment in agriculture. Government is therefore committed to ensuring that the present set of policies for the agricultural sector will remain largely operational for at least the next fifteen years.

Government will also ensure that monitoring and evaluation of policies will be vigorously pursued on a continuous basis so as to correct deviations from laid down guidelines as soon as they are discovered.

5.3.2 **Perspective Plan**

For a policy to be meaningful, it must have definite beginning and a specific life-span within which stated objectives have to be achieved. However, since action taken by government to influence economic activities are likely to be continuous beyond a given plan period, it is necessary that a futuristic approach is adopted.

In using a perspective plan as a mechanism of policy discipline, the following objectives will be achieved. First, a perspective plan will enable government to link past policies with those of the present and the future in order to facilitate orderly transition or ensure smooth continuity. Second, conflicts among the objectives of agricultural policy as well as conflicts between agricultural objectives and those of the overall economy will be more easily identified and resolved. Third, a perspective plan will enable government to identify necessary modifications in programmes and projects. Lastly, such a plan will help in identifying areas or issues requiring new approaches.

It is therefore, the intention of government to look far ahead and beyond the present economic conditions in order to ensure a stable and healthy investment environment for the economic and social development of the country. It is be the responsibility of such plans to ensure that government's goals in agricultural development are fulfilled in line with the set objectives and operational moalties.

