



JOINT REGIONAL MARKET AND FOOD SECURITY ASSESSMENT MISSION IN NIGERIA

FEBRUARY, 2020



Stock of grains at Giwa Market-Kaduna State.

DRAFT REPORT

By

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FEBRUARY 13TH, 2019

I. CONTEXT

- Results of the crop year (final or forecast)

1. Cultivated Land Area, Production Output and Yield Forecast for Major Crops

Table 1.1 shows the 2019 cereal crops, legumes, fibre crops, roots and tubers production outputs in comparison with 2018 production. Generally, cultivated land area for rice production output increased above the 2018 but with no significant change in output and yield. There was no increase in the cultivated land for Sorghum and production output for 2019 however, the yield did not differ significantly. The maize cultivated land for 2019 was more than the 2018 but with lower production and yield.

The production out for millet was higher than the 2018 with lower cultivated land and higher yield.

Legumes and oil seeds crop, groundnut was more cultivated while cotton had the least production. Cocoa yam was the most produced among roots and tubers crops with less cultivated lands while yam had the least production output however higher than 2018 production.

Generally, the increase in the output of the cereal crops especially for maize and rice in 2019 compared with the 5-year average may be attributed to some factors. First, is the stabilization and improved security situation in the north-eastern of Borno, Yobe and Adamawa States. Second, the favourable rainfall, governments and NGOs agricultural supports across the nation have also impacted positively on crop production. Third, the recovery from the economic recession experienced between 2015 and 2016 has led many people to farming. And fourthly, government strong focus on economic diversification to agriculture has played a significant role in boosting agriculture nationwide. The positive growth recorded was inspite of the insecurity, banditry; kidnapping and communal crises spread across the nation and in particular, the north central which is known for grain production.

Table 1.1 *Production Output, Cultivated Land Area and Yield*

Crop	Production MT (000)			Land (Ha)			Yield (tons/Ha)	
	2018	2019	% Change	2018	2019	% Change	2018	2019
Cereal								
Rice	8,403.34	8,435.40	0	1989.37	2020.16	1.55	2.1	2.08
Sorghum	6721.19	6665.12	-0.83	5848.44	5841.77	-0.11	1.15	1.14
Maize	12760	12699.525	-0.47	6021.19	6051.325	0.5	2.12	2.11
Millet	1879.34	1938.73	3.16	1734.33	1768.24	1.96	1.08	1.12
Sub-Total	29,763.87	29,738.78	1.86	15593.33	15681.5	3.9	6.45	6.45
Legumes and oil seeds								
Groundnut	4421.54	4464.63	0.97	3562.64	3636.07	2.06	1.24	1.25
Cowpea	4007.83	4074.62	1.67	4909.08	4836.39	-1.48	0.82	0.83
Soybean	998.32	1,048.50	5.03	1,095.45	1,148.03	4.8	0.91	0.91
Benniseed	496.48	515.67	3.87	755.18	735.3	-2.63	0.66	0.7
Cotton	225.44	230.65	2.31	519.08	512.36	-1.29	0.43	0.45
Sub-total	10149.61	10334.07	13.85	10841.43	10868.15	146	4.06	4.14
Roots and Tubers								
Cassava	58472.33	57023.65	-2.48	9952.79	9776.59	-1.77	5.87	5.83
Yam	49298.73	52914.9	7.34	6473.12	6778.04	4.71	7.62	7.81
Cocoa yam	7930.83	7900.03	-0.39	1117.77	1223.17	0.82	7.12	6.46
Sub-total	115701.9	117838.6	4.47	17543.68	17777.8	3.76	20.61	20.1

1.2 Cereal production Estimates (2014-/2019 Trend)

Production output for cereal crops like maize, millet, sorghum and rice varied significantly. However there was no difference between 2018 (12, 760 mt) and 2019 (12,699.53mt) maize production (0%) but there was increment in the 5 year average (18%). There was increase in millet production in 2019 (1,879.39 mt) against 2018 (1,510.39 mt) with 3% and 22% growth rate for the 5 year average of production. Sorghum had a decline in production in 2019 (6,651.12 mt) against 2018 (6,721.19 mt) however, maintaining 6% production output for the 5 year average. Rice production also did not record increment 8,403.34 (2018) and 8,435.40 (2019) (0%) respectively but sustained 9% 5 year production output (Table 3.2a).

Comparative analysis for national cereal production 5 year average (2014 to 2019) revealed that, maize was higher than rice followed by sorghum and millet was the least (Figure 3.3a). Similarly, crop by crop analysis revealed that, there was no difference between 2018 and 2019 production rate for maize, sorghum and rice while millet had a marginal increase (Figures 3.3b) .

Table 1.2: Cereal Production Output Forecast (2014-/2019 Trend)

Cereal	2014	2015	2016	2017	2018	2019 Forecast	AVG (Previous 5 years)	2019_Vs_2018	2019_Vs_AVG
Maize	10,901.60	9,540.19	9,598.36	11,082.96	12,760.00	12,699.53	10,777	0%	18%
Millet	1,634.90	1,477.26	1,444.24	1,510.39	1,879.34	1,938.73	1,589	3%	22%
Sorghum	6,341.10	5,663.79	6,461.30	6,298.15	6,721.19	6,665.12	6,297	-1%	6%
Rice	6,690.00	7,573.42	7,838.12	8,050.88	8,403.34	8,435.40	7,711	0%	9%
Total	25,568	24,255	25,342	26,942	29,764	29,739	26,374	0%	13%

Source: NAERLS, NPFS/FMARD

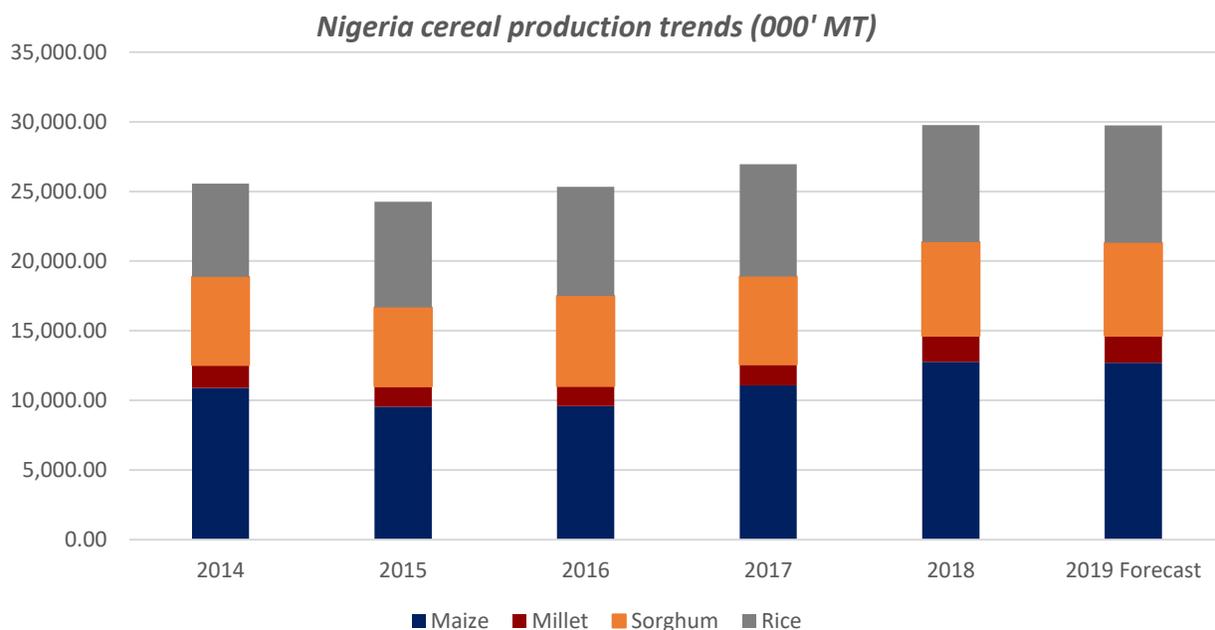


Figure 1.2a: Trend in cereal production (2014-2019)

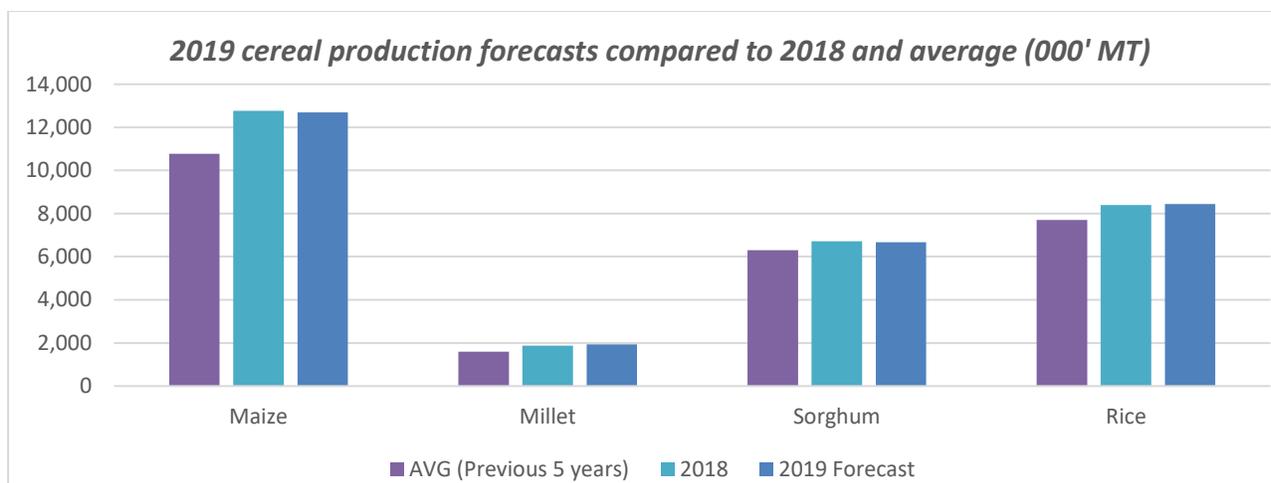


Figure 1.2b: National 5 average cereal production trend

1.3. Tubers Production Estimates (2014-/2019 Trend)

The 2019/2020 production estimates of cassava and yam is presented in Tables 3.3b below. It showed that the total national estimated outputs of cassava and yam were 57,023.65mt and 58,472.33 mt respectively. The percentage difference of the output between 2018 and 2019 for each of the crops was negative implying that there was decline in output in 2019 compared with 2018 especially for cassava. Yam recorded 7% increase in output as the production for 2019 was 52,914.90 mt as against 49, 298.73 mt respectively (Table 3.3b). Figures 3.3 c and d gave the production outlook for the two crops on yearly basis. Yam had an upward growth trend consistently while cassava had a decline in 2019. The 5 year average (2014-2019) production indicated that, yam had a sustained growth over the years compared with cassava. The positive growth recorded for yam may be attributed to increase in the total land cultivated for yam and or increase in productivity per hectare.

Table 1.3: Output of other Crops in Nigeria (x1000 tons)

ROOT AND TUBERS	2014	2015	2016	2017	2018	2019 Forecast	AVG (Previous 5 years)	2019_Vs_2018	2019_Vs_AVG
Cassava	36,905.90	37,329.00	56,826.00	51,837.61	58,472.33	57,023.65	48,274	-2%	18%
Yam	45,700.50	46,430.80	44,602.00	55,147.06	49,298.73	52,914.90	48,236	7%	10%
Total	82,606	83,760	101,428	106,985	107,771	109,939	96,510	2%	14%

Source: NAERLS, NPFS/FMA&RD

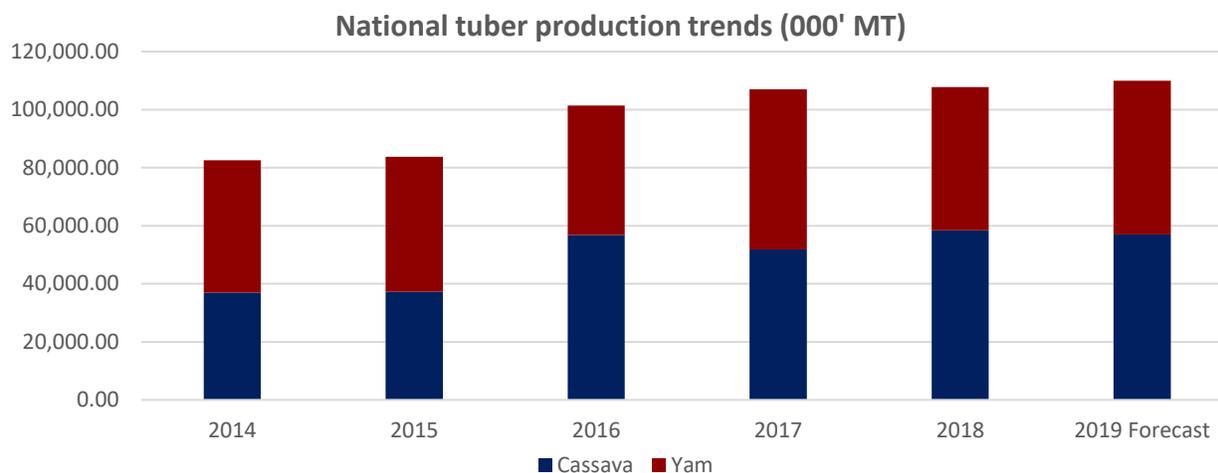


Figure 1.3a: Trend in Tuber Production Estimates (2014-2019)

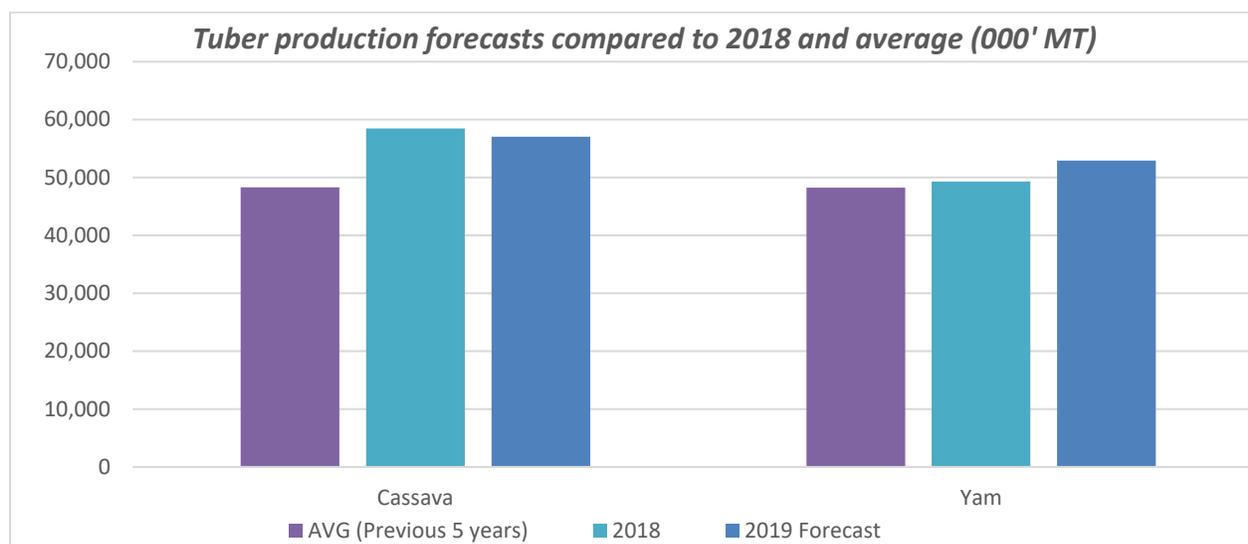


Figure 1.3b: National 5 average tuber production trend

1.4 Legumes and Oilseeds Production Estimates (2014-2019)

The 2019/2020 production estimates for cowpea, groundnut, soyabean and cotton are presented in Table 3.3c. The records showed that the total national estimated outputs of cowpea, groundnut, soyabean and cotton were 4,074.62 mt, 4,464.63 mt, 1,048.50 mt and 230.65 mt respectively. The percentage difference of the output between 2018 and 2019 for each of the crops was positive which indicated more output in 2019 compared with 2018 for all the crops. This may be attributed to increase in the total land cultivated for each of the crops, favourable climatic condition and increase in productivity per hectare. Furthermore, the differences between the five-year average (2014 -2018) and 2019 (figures 3.3e,f) production estimate for the crops were positive which also shows an increasing return to output and may be also attributed to some of the factors that were stated above. However, of all the crops, groundnut had a considerable growth while cotton performed marginally.

Table 3.3c: Comparative Legume and oil seeds production 2018/2019 and 2019/2020

LEGUME AND OIL SEEDS	2014	2015	2016	2017	2018	2019 Forecast	AVG (Previous 5 years)	2019_Vs_2018	2019_Vs_AVG
Groundnut	3,075.80	3,127.50	2,787.76	4,247.76	4,421.54	4,464.63	3,532.07	1%	26%
Soyabean	765.6	901.55	1,323.52	993.78	998.32	1,048.50	996.55	5%	5%
Cotton	222.7	179.1	206.11	215.32	225.44	230.65	209.73	2%	10%
Total	8,302	8,406	8,392	9,242	9,653	9,818	8,799	2%	12%

Source: NAERLS, NPFS/FMA&RD

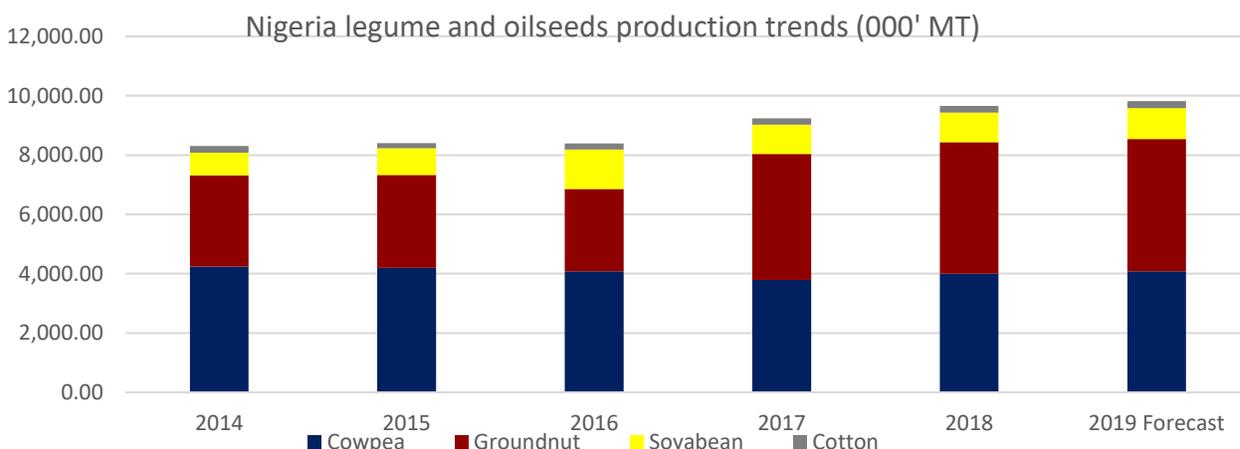


Figure 1.4a: Trend in Legume and oil seeds production (2014-2019)

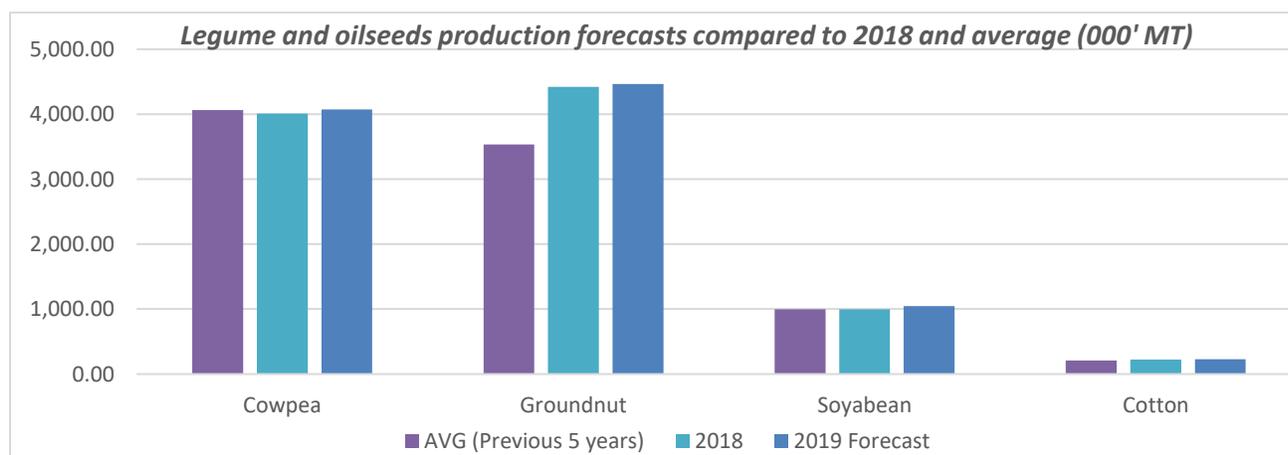


Figure 1.4b: Trend in legume and oil seeds production (2014-2019)

- Analysis of imports (international markets):

Nigeria's wheat consumption in MY 2019/2020 was put at 5.26 million metric tons (MT), up nearly four percent or 200,000 MT higher than from Post's MY 2018/2019 estimate of 5.06 million metric tons. Attributing the increase to an uptick in imports combined with an increase in food, seed and industrial (FSI) usage. The rise in FSI wheat consumption is also attributable to population growth

of about 2.54 percent/annum (2015-2020) (FAS Lagos forecasts). With the Nigeria population on the increase, the demand for wheat-based product remains elastic. Similarly, the fact that, Nigeria wheat is not economically suitable for the manufacture of bread, pasta, and noodles (GAIN Report, 2019), importation of desired wheat would continue. Local wheat flour is however, nonetheless is used in the preparation of traditional/customary meals in Nigeria and in the Sahel region. Nigeria's corn imports in MY 2019/2020 at 400,000 MT, remains unchanged from Post's MY 2018/2019 estimate. Post forecasts Nigeria's corn exports in MY 2019/2020 at 100,000 MT, unchanged from Post's MY 2018/19 estimate. Influential feed millers and major poultry farmers are occasionally able to obtain import permits to purchase foreign corn when they anticipate major local corn supply shortfall. However, with the current government policy on border closure, importation of corn may decline considerably giving rise to local production with its attendant price increase from high demand. GAIN Report (2019 forecasts Nigeria's rice imports in MY 2019/2020 at 2.4 MMT, up nine percent or 200,000 MT higher than the MY 2018/2019 estimate of 2.2 million metric tons. Imports largely comprise parboiled rice (also known as converted rice and easy-cook rice). Thailand- and India-origin rice (long-grain varieties) dominates imports. Though Thailand- and India-origin direct rice shipments to Nigeria have dropped off in recent years, there have been large, officially reported increases in rice exports to Nigeria's neighbors Benin (population 11.3 million), Cameroun (population 25.6 million), Niger (population 19.8 million), and Togo (population 8.1 million). These are countries with lower import tariffs and porous borders, creating conditions favorable for transshipments. Gray channel imported rice remains more affordable in Nigeria's southern urban markets than locally produced (northern) Nigerian rice. Nigerians' demand for foreign rice is strong despite the restrictions placed on the importation of rice. Sources estimate that overall, there are five bags of imported rice for every bag of local rice sold in the market. Nigerians' preference for imported rice creates a market gap for nearly three million metric tons between rice demand and local supply. Imported rice is also cheaper than locally produced rice, further driving consumer demand for foreign rice. A bag of imported rice (50 kilograms) averages Nigerian naira 13,500, while an equivalent size bag of clean, parboiled local rice retails for Nigerian naira 15,500. High cost of Local Rice is attributable to high internal transportation cost; high production costs due to high input costs, low quality seeds, and inadequate infrastructure make domestic rice not price competitive. However, the closure of the land borders has reduced drastically important of foreign rice from the neighboring countries like Benin republic, Chad, Niger and Cameroun. On Sorghum importation, Nigeria imposes a five percent tariff on sorghum imports. Nigeria does not import sorghum.

- **Situation of the main currencies and their impact on the national market:**

The year-on-year inflation rate declined slightly from 11.44 percent in December 2018 down to 11.37 percent in January 2019. The central bank of Nigeria continues to provide direct foreign exchange intervention into the foreign exchange market to stabilize the naira. Interbank foreign exchange market is currently at 306.85 naira/dollar in January while the Bureau de Change rate is at 360.94 naira/dollar. OPEC continues to cut down the production quota of crude oil aiming to increase price in February above \$64/barrel.

- **Security situation:**

The security situation is currently worse than the situation reported in last year's report. More attacks were recorded all over the country from kidnapping, gunmen and Boko Haram. Most especially around the North Central, North West and the North East states of Niger, Benue, Plateau, Kaduna, Katsina, Sokoto, Adamawa, Borno and Yobe. However, despite these attacks normal day to day activities widely continues in the states and the country apart from the isolated areas of attack.

- **Results of CH**

A total of 4.8 million people were estimated to be in critical condition (Phase 3-5) of food security during the lean season in the country (from June, 2019 CH update). 2.8 million people are estimated to be in need of food assistance (ph 3-5; Jun, 2019 CH update for Borno, Adamawa, Yobe States) while 1.4 million were reached with food assistance (BAY) and 1.4 million reached with agric/livelihood support (BAY). Similarly, flood victims were reached with volumes of relief materials across the states (Table 5)

Furthermore, despite some improvements in security, over 2 million people remain food insecure. The report showed that, as of July 2019, the International Organization for Migration (IOM) identified over 1.9 million people that have been displaced, of which 92 percent by the insurgency in northeastern states of Adamawa, Borno and Yobe. In addition, flash floods beginning in the month of August 2019 and expected to continue towards the end of September, have affected close to 1 000 hectares of farmlands and resulted in livestock losses. As of 30 August 2019, an estimated 21, 000 households have been displaced across the three states as a result of flooding. Heightened tensions in recent months have triggered further displacements, with new arrivals mainly in Askira-Uba, Bama, Gwoza, Ngala and Damboa in Borno State. Most of the displaced households are heavily dependent on humanitarian assistance. According to the June 2019 "Cadre Harmonisé" analysis update, about 2.97 million people were estimated to be in need of food assistance from June to August 2019, with a significant decrease from the 3.70 million food insecure in June-August 2018 (FAO, 2019)

CH- Analysis Food Security Situation October, 2019 Result for Adamawa, Borno and Yobe States.

State	People affected in 3 states	People affected in 3 states (October, 2019)	Total number of beneficiaries Assisted	Total fund required for Assistance
	(October, 2018)		(October, 2019)	
Borno	3,700,000	2,700,000	2,186,435	\$264,000,000
Adamawa			191,477	
Yobe			569,100	

Trend of total population of people in critical (3 to 5) phases of food insecurity for the 16 states participating in CH analysis (2015 – 2019).

Oct-15	Mar-16	Oct-16	Mar-17	Oct-17	Mar-18	Oct-18	Mar-19	Oct-19
5,260,024	3,436,465	8,081,077	7,065,539	3,158,182	3,707,325	2,454,320	2,049,373	3,996,000

Trend of total population of people in critical (3 to 5) phases of food insecurity for Adamawa, Borno and Yobe States (2015 – 2019)

Oct-15	Mar-16	Oct-16	Mar-17	Oct-17	Mar-18	Oct-18	Mar-19	Oct-19
3,966,810	2,532,376	4,672,838	4,667,716	2,563,621	2,330,188	1,709,429	4,949,125	2,974,223

Methodology

- Partner structures and other government departments involved.

The Partners involved in the Joint Assessment are;

- 1) FEWS NET
- 2) World Food Programme of the United Nation (WFP-UN)
- 3) Food and Agricultural Organization of the United Nation (FAO-UN)

Government Department/Agencies involved are;

- 1) National programme for Food Security (NPFS) of the Federal Ministry of Agriculture and Rural Development (FMA&RD)

- The number of axes or teams

Two teams were constituted to conduct the assessment;

- 1) Team 1 is made up of FEWS NET and NPFS to cover the four North West states of Kaduna, Jigawa and Kano covering the following markets; Giwa market, Gujungu market and Dawanau market.

- The total number of markets visited:

A total of three (3) markets were covered during the Joint Market Assessment.

The types of actors encountered:

The teams had a focus group discussion with the market unions which included the heads/leaders of the; Markets, Grains union, livestock union and transportation of the major wholesale and retail markets.

II. Difficulties and shortcomings

1. Limited commitment from the Federal Government in supporting the conduct of the assessment.
2. Lack of adequate funds to coordinate and conduct the assessment properly
3. Security challenges hinders visits to some critical border markets
4. Lack adequate vehicles to move from market to market comfortably and safely.
5. Lack of support and commitment from some partners.

III. Results (cereal, tuber, cash products, fish, livestock)

1. Analysis of the level of market supply;

Below are the outcomes from the focus group discussions with the market officials visited during the Joint Assessment;

A. The North West Selected States and Markets;

Cereals:

The analysis indicated that supply levels for Cereals in the markets for the North West states are good between 15% to 30% increase.

Among the three states, Giwa market in Kaduna state showed that cereal supply currently decreased between -30% to -15%. The same level of decrease was observed when compared to last year and the normal situation.

The situation of cereal supply in Dawanau Market in Kano state revealed that supply increased by over 30% currently. However, when compared to the supply situation of same period last year and the normal situation supply increased by 15% to 30%.

Supply of cereals in Gujungu market, Jigawa state showed that supply level currently is normal between -15% to 15% but when compared to last year and the normal situation, an increase of 15% to 30% was recorded.

Tubers (Other commodities):

Supply of tubers in the markets covered in the three North West states indicated that supply for the commodities (Cassava and yam, Sweet potato etc) was currently good.

Supply level analysis of tubers in Giwa Market revealed that the level of supply is currently normal with variation with 15% to 30%. The situation remained the same (increased by 15% to 30%) when compared to last year same period but decreased by 15% to 30% when compared to the normal situation.

Tuber supply currently increased by over 30% in Dawanau market in Kano state but when compared to last year and the normal situation, the situation is normal with -15% to 15% variation.

Currently in Gujungu market, the supply level has increased by 15% to 30%. The supply situation remained the same (increased by 15% to 30%) when compared to last year and the normal situation.

Cash products:

Cash products supply in the selected North West states showed the level of supply is generally good.

Analysis of supply of cash crops in Giwa market that current supply level for the cash crop decreased by -30% to -15%. Compared to last year and the normal situation, the supply level also decreased by -30% to -15%.

In Dawanau market, cash crops supply has currently increased by over 30%. However, compared to last year and the normal situation the supply increased by 15% to 30%.

The supply levels in Gujungu market revealed that supply level is currently normal with -15% to 15% variation but the supply level when compared to last year and the normal situation increased by 15% to 30%.

Livestock:

Generally, the supply of livestock in the North West states selected is currently increasing around 15% to 30%.

Both the small and large ruminants in Giwa market currently recorded an increase in the level of supply of 15% to 30%. However the supply levels when compared to last year indicated a decrease

of 15% to 30% while it showed a strong decrease of above 30% when compared to the normal situation.

Wudil Livestock market in Kano state currently revealed a decrease of 15% to 30% for both the small and large ruminants currently. The variation when compared to last year and the normal situation maintained the same level of supply.

In Gujungu market, current livestock supply analysis revealed that the level of supply increased by 15% to 30%. Further analysis indicated that the supply level remained the same when compared to last year and the normal situation maintaining an increase of 15% to 30%.

Cattle Disease: - There have been reported incidents of liver disease among the cattle in and within the Gujungu community. When this occurs, herders are forced to dispose the animals at lower prices. Hence the increase in the supply of livestock in the market

Generally, the supply levels in the markets covered in the selected North West states indicated a good level of supply and smooth market flow. Therefore, the mission concluded that the markets are well supplied with the commodities.

- **Fish markets:** - Fish markets were not included in the assessment.

Summary of Key Market Supply Challenges This Year;

- 1) Bad roads and multiple tax from the government agencies affecting transportation of supplies (food items)
- 2) Insecurity along some major supply routes
- 3) High cost of transportation
- 4) Border Closure

2. Analysis of the level of commercial, institutional and community stocks

- **commercial stocks, (cereals, Cash crops & Other Products)**

A. The North West Selected States and Markets;

Cereals:

Generally cereals stock levels for the selected markets in the North West states can be said to currently be increasing compared to last year and the normal situation except in Giwa market.

Currently, stock levels at Giwa market are on the decrease of about -30% to -15%. However, 15% to 30% increase was recorded when compared to last year while a decrease of about -30% to -15% was captured when compared to the normal situation.

Dawanau market indicated a strong increase in the stock levels of above 30% currently, but however revealed an increase in stock level of 15% to 30% when compared to both last year and the normal situation.

The analysis further indicated that the stock level in Gujungu markets increased by 15% to 30% currently and when compared to both last year and the normal situation

Tubers /Other commodities:

The current Stock levels for tubers for the selected markets in the North West states are good.

Giwa market in Kaduna state recorded a decrease in stock level of -30% to -15 currently but when the current level is compared to last year same period an increase of 15% to 30% stock level was indicated. However a decrease of -30% to -15 was recorded when compared to the normal situation

Current stock level situation in Dawanau market indicated an increase of 15% to 30% but the stock level revealed the situation is normal with -15% to 15% variation when compared to last year and decreased by -30% to -15% when compared to the normal situation.

Analysis of Gujungu market currently indicated a strong increased of over 30% stock level. However, when compared to last year and the normal situation the stock level is normal with -30% to -15%

Cash products:

The analysis for stock Level for the cash crops in the selected North West states is good.

Giwa market analysis currently showed a decrease of -30% to -15% stock levels for the cash crops. However, when compared to last year same period the stock level indicated an increase of 15% to 30% while a decrease of -30% to -15% stock levels was recorded when compared the compared to normal situation.

Dawanau markets revealed an increase of 15% to 30% in cash crop stock currently. Compared to last year the stocks of cash products is normal with a variation of -15% to 15% while when compared to the normal situation the stock level decrease by -30% to -15%.

The current stock level for the cash crops in Gujungu market is normal with variation of around -15% to 15%. However, when compared to last year and the normal situation the stock level indicated an increase of 15% to 30%.

Generally, the stock levels in the North West selected markets indicated that the commodities are currently satisfactory and physically available in the markets. Therefore, the mission concluded that the markets are stocked with the commodities.

2.1 Overall stock composition:

North West Selected States and Markets: - The overall stock composition in the selected North Western states indicated that Cereals and some cash dominate the overall stock composition in the markets.

Stock composition in Giwa market in Kaduna state revealed that Maize, Cowpea and Soya Bean currently dominate the overall stock composition with 30%, 25% and 15% respectively. The situation is the same for last year and the normal situation with the commodities maintaining dominance in the overall composition of stock in the market. The commodities with the lowest stock composition in the market are Millet and Sorghum with 8% each and then Groundnut with 4%.

In Dawanau market, Maize, Millet and Cowpea has 45% of the overall stock composition with 15% each while Sorghum, Local Rice, Groundnut and Sesame made up 40% with contributing 10% which indicated 85% dominance of the overall stocks composition in the market. The dominance remained the same for last year and the normal situation. Wheat, Soya Bean and Acha are the commodities with 7%, 5% and 3% respectively.

Millet and Maize with 30% and 20% respectively while Local Rice and Sorghum contributed 30% with each having 15% of the overall stock composition imposed their dominance of the overall stock composition in Gujungu market with 80%. The dominance remained the same for last year and the normal situation. Wheat with 4% and Groundnut, Sesame and Soya Bean with 2% each made up the commodities with the lowest stock composition in the market.

Generally, the analysis indicated that Cereals (Maize, Millet, Sorghum, Local Rice) and some Cash Crops Cowpea, Sesame and Groundnut constituted the largest stock composition in the markets selected in the region.

- **Institutional stocks;**

Currently the National stock levels could not be ascertained due to lack of response from the organization. However, the major institutional stock in Nigeria is through the Federal Department of Strategic Grains Reserve (FDSGR) of the Federal Ministry of Agriculture and rural development. The FDSGR is responsible for storing the security stock for the country. 5% of the total production in the country is reserved by the department while at the State level, 25 percent reserved. This is making a total of 30% security stock reserved for the country. Between 2014 and 2017, the Department has released a total of 16,000 metric tons of assorted grains to the IDP population in Adamawa, Borno and Yobe States

The Federal Government through the FDSGR is expected to purchase over 10,000 metric tons of Cereals, 1000 metric tons of Processed Cassava (Gari) for deposit at the 11,000 Mt capacity silos located at Otoro. Some Silos were also allocated to ECOWAS for the Regional food security stock. Currently, National stock according to the FDSGR is at 25,000mt. **As at October, 2018**

However, Federal Government of Nigeria in 2019 has concessioned twenty (20) Silos out of the thirty-three (33) to private sectors. The 33 silos combined total storage capacity is approximately 1.4 million metric tons. The federal government retains six (6) silos for the national security stocks and when stocked 225,000 MT. The department is still procuring food items to stock the silos. The department is also holding stocks for the ECOWAS regional food security reserve.

Between 2015 and 2018, the Department has released a total of 16,000 metric tons of assorted grains to the IDP population in Adamawa, Borno and Yobe States while 5,000 metric tons of cereals was released to Benue, Bayelsa, Sokoto and Zangara states.

- **Source Federal Department of Strategic Grains Reserve (FDSGR)**

Summary of the main difficulties related to stocks this year.

- 1) Limited storage facilities

- 2) Low capital to make more purchases

3. Analysis of changes in transport costs

The major means of transportation across the states is road using Truck, Canter and Pick-up van. They carry from 3mt to over 30mt from various destinations with cost of 100kg bag ranging from 100 to 200 depending on the type of vehicle and distance.

In Giwa market about 18 trucks and 22 Pick-ups/Canta trucks leaves the market with good within the market days currently while in Dawanau market 250 trucks and 100 Pick-ups trucks leaves the market with good within the market days currently. In Gujungu Market about 100 trucks and 500 Pick-ups trucks leaves the market with good within the market days currently. These numbers when compared to last year same period was lower in Giwa Market but the same in Dawanau and Gujungu Market. However when compared to the normal situation, the number is even lower in Giwa market but higer in Dawanau and Gujungu market.

Summary of the main difficulties related to the transport of agropastoral products this year

- 1) Bad roads and multiple tax from the government agencies affecting transportation of supplies (food items)
- 2) Insecurity along some major supply routs

4. Analysis of flows and changes (origins and destinations);

4.1. Origins:

Giwa Market: - The analysis of market flow indicated that supply of food commodities (Cereals, tubers, Cash crops and livestock) currently relied mostly within the state with 40% for cereals, 100% for tubers, 70% for cash crops and livestock each. When compared to last year same period and the normal situation, the market flow for cereals and livestock seem to follow the same pattern with the state dominating the supply while in case of the tubers, other states (Niger and Kebbi) contributed 70% compared to last year and 60% compared to the normal situation.

Dawanau Market: - Market flow analysis indicated that flow of food commodities (Cereals, tubers, Cash crops) into the market is currently dominated by other states. Cereals and tubers are currently sourced from other states like Gombe, Bauchi, Adamawa, Kaduna, Jigawa, Katsina who contributed about 75% to 92% of the market supplies while kano state contributed about 7% to 25%. The situation is similar when compared to last year and the normal situation. Cash crop (cowpea) and Livestocks are majorly sourced from other states. For cash crops about 75% is sourced from other states while Kano state contributed 7% and Niger Republic contributed 18% for cowpea only. The pattern for market flow for the cash crops and livestock is similar when compared to last year and the normal situation.

Gujungu Market: - Supply of food commodities to Gujungu market in Jigawa state relied mostly on other states with 60% while the state contributed 40% of the market supplies. The flow pattern when compared to last year and the normal situation is similar. In the case of tubers and cash crops, 100% of the tubers and 80% of cash crops supply is currently sourced from the state. Livestock supply is also dominated by the state with 90% supply while 10% of the supply is sourced

from neighboring country (Niger Republic). The pattern remained the same when compared to last year and the normal situation.

4.2. Destination of products:

The cereals demand destination pattern is similar to last year and the normal situation in all the states covered. It favoured mostly the national and

Giwa Market: - Cereal demand destination in Giwa market, Kaduna state, is 75% dominated by other states (Lagos 30% while Katsina, Kebbi and Sokoto contributed 15% each) while 25% of the demand comes from Kaduna state. The demand destination for cereals is similar when compared to last year and the normal situation. Interestingly, currently tubers, cash crop and livestock, demand in the market entirely comes from within the state.

Dawanau Market: - Demand analysis for the food crops (cereals, tubers and cash crops) in dawanau market revealed that it is dominated by national and international demand level of about 30% to 45%. While about 15% to 25% demand destination is observed within the state. The demand destination is similar when compared to last year and the normal situation.

However, livestock demand analysis showed that majority of the demand is dominated by national demand with 60% while 40% comes from within the state. Compared to last year and the normal situation, the demand destination is the same.

Cash Crops-Information

- Sesame seed is on high demand at Dawanau market. The high demand is from both national and global institutional buyers.
- Soya bean is also on high demand in Dawanau market.

Gujungu Market: - The demand destination for cereal in Gujungu market in Jigawa state is dominated by national demand with 60% while the state and the international demand (Niger Republic) contributed 20% each. For the tubers and livestock, current demand destination compared to last year and the normal situation is the same with national demand having dominance of 85% and 90% while within Jigawa state is 15%. Cash crops demand destination is dominated by 50% demand from within the state while national and international (Niger Republic) currently constitute 40% and 10% respectively. The demand pattern remained the same when compared to last year and the normal situation.

Cash products -Information

- The trading of Locust bean seed in commercial quantities is on the rise in the market. The product is sourced mainly from Adamawa State. Demand is mainly from institutional and local users.
- The demand for Wheat, Sesame and Roselle (Sobo) by institutional users is also on the rise.

4.3. Impact of the Border Closure on Market Flows and Demand:

Giwa Market: -

The closure of Nigeria's border with neighboring countries has led to fall in demand for cereals like maize, millet, sorghum and cash crop (Cowpea). The border closure has impacted negatively on supplies of cereals and some cash crops to Dawanau market. Though little trade is still being

carried out, the loading of trucks with cereals destined for neighboring countries is almost non-existent now.

Dawanau Market:

The closure of Nigeria's border with neighboring countries has led to fall in demand for cereals like maize, millet and sorghum. This has also affected the supply of livestock from neighboring countries. The border closure has impacted negatively on both exports and imports from neighboring countries. Though little trade is still being carried out using smaller vehicles, the loading of trucks with cereals destined for neighboring countries is almost non-existent now.

Gujungu Market:

The closure of Nigeria's land border with neighboring West African Countries has led to fall in demand as most customers from Niger Republic are not coming to the market as before. Similarly, some big-time customers from Kano that specialized in exporting products are not coming to Gujungu to source products again.

What are the major changes observed in grain and livestock?

- 1) Bad roads condition
- 2) High cost of transportation
- 3) Insecurity
- 4) Border Closure

Summary of the main difficulties related to the flow of agro pastoral products this year

- 1) Bad roads
- 2) High cost of transportation
- 3) Insecurity

5. Analysis of demand: Animal / Industrial, National, Institutional, International / Regional

Giwa Market

Generally, the analysis of demand in the market currently decreased by -30% to -15% for the commodities locally, nationally and internationally. The situation when compared to last year and the normal situation also decrease by -30% to -15%.

However, palm oil currently indicated an increase of 15% to 30%. The situation when compared to last year and the normal situation also creased by 15% to 30%.

Dawanau Market

The analysis of demand for Dawanau market for the commodities currently showed either a normal demand with -15% to 15% variation, 15% to 30% increase or over 30% increase for local, institutional and national demand. International demand generally revealed a decrease from -30% to -15% to less than -30%.

The demand situation when compared to last year and the normal situation indicated that demand currently is majorly less by -30% to -15%

Livestock in Wudil livestock market which currently indicated an increase of over 30% for livestock and 15% to 30% for labor force. The situation Compared to last year and the normal situation, both the livestock increased by 15% to 30%.

Gujungu Market

Demand analysis in the market for the commodities revealed that the demand level for cash crops have currently declined by -30% to -15% locally, institutionally and internationally while the national demand is normal with -15% to 15% variation. However, Compared to last year and the normal situation, the situation decreased by -30 to -15% locally and institutionally while nationally in increased by 15% to 30%. Except for local rice which indicated a strong increase in demand current locally, institutionally and nationally. The demand situation compared to last year and the normal situation, the demand level increased by 15% to 30%.

Currently the demand level for tuber and the cash crops indicated strong increase in demand of over 30% locally and nationally while the institution demand is weak with -30% to -15% level of demand. However, the situation when compared to last year and the normal situation, it showed an increase of 15% to 30%.

Livestock demand in the market indicated that the current level for local demand increased by 15% to 30% while national demand showed a strong increase in demand of over 30%. However, the demand situation when compared to last year and the normal situation indicated an increase of 15% to 30%.

Generally the local and national demand levels for all the commodities indicated an increase ranging from 15% to 30 up to over 30%. The increase is reflected when compared to last year and the normal situation; this may be due to border closure because the international demands generally decrease.

6. Analysis of the agricultural labor force.

The local demand for labour force among the markets visited has increased by 15% to 30% currently except in Gujungu market where over 30% increase in labor force demand was indicated.

When compared to last year and the normal situation, local labor force demand Institutional demand revealed an increase of 15% to 30% except in Giwa market where compared to the normal situation an increase of over 30% was reported.

Surge in the increase in the demand for labor force may be due to the high population, limited job opportunities and the general economic situation.

7. Analysis of main product prices (comparison with last year and the five-year average for the same period;

Nigeria's Inflation Rate Hits 12.13% in January, 2020

The Consumer Price Index, (CPI) which measures inflation increased by 12.13 percent (year-on-year) in January 2020. This is 0.15 percent points higher than the rate recorded in December 2019 (11.98) percent.

According a report obtained from the Nigeria Bureau of Statistics (NBS) on Tuesday, On month-on-month basis, the Headline index increased by 0.87 percent in January 2020, this is 0.02 percent rate higher than the rate recorded in December 2019 (0.85) percent. The percentage change in the average composite CPI for the twelve months period ending January 2020 over the average of the CPI for the previous twelve months period was 11.46 percent, showing 0.06 percent point from 11.40 percent.

CPI Published February 18, 2020

Retail Market Prices of Cereal, Cash Crops and other Crops in Nigeria (Naira/KG)

Product	2015	2016	2017	2018	2019	5-year average (2015 -2019)	2020	% change b/w 2020 and 2019	2020 and % change b/w 5-year average
Maize	40	61	144	100	100	89	100	0.00%	12%
Sorghum	37	49	131	114	95	85.2	92	-3.16%	8%
Millet	61	60	137	150	96	100.8	110	14.58%	9%
Rice Local	118	136	276	235	215	196	260	20.93%	33%
Imported Rice	189	200	383	285	268	265	268	0.00%	1%
Cowpea	129	107	207	308	250	200.2	111	-55.60%	-45%
Groundnut	170	170	315	240	250	229	260	4.00%	14%
Soya bean	120	205	345	176	170	203.2	350	105.88%	72%
Yam	59	65	119	240	110	118.6	200	81.82%	69%
Palm Oil	267	303	667	420	370	405.4	300	-18.92%	-26%

Generally, the prices of staple food crops (sorghum, millet, rice etc) remained fairly stable with increases and some few decreases when compared to last year and 5-year average as indicated above. The price of local rice remained stable but higher than 5-year average. With the closure of borders by the Federal Government of Nigeria on August 20th, 2019, insecurity along the roads and foods that washed away some farm lands, there are reports of marginal increase in the prices of food commodities, especially in border communities.

However, closure of the land borders and restricting imports is aimed at minimizing smuggling and illegal activities of kidnappers and armed groups who operate along border communities as well as to protect domestic industry and encourage local production. This is a favourable policy that has the potential of driving local food production, enhances food security and exportation. Prices in northeast Nigeria are relatively higher than the rest of the country due to relatively higher demand and lower supply. Market functionality remains constrained by poor transport infrastructure and insecurity (WFP, 2019).

8. Terms of trade analysis.

The terms of trade is currently in favour of the grains to the livestock. This is because of cattle rustling situation reported by the traders which forced the livestock farmers to supply livestock at a very low price.

9. Prospects for market developments up to the lean period (demand, supply, prices, terms of trade)

Perspectives: (May - June – July – August)

Currently the supplies and stock of all major food items (cereal, tubers, cash products and livestock) is increasing in the markets. However, until the lean period the perspective is that between May to June, 2019 the supplies and stock levels for all major food items (cereal, tubers, cash products and livestock) may most likely be decreased but higher than the levels observed last year and during the normal situation. Therefore, demand for all the major food items is expected to increase and when compared to the levels of last year and the normal situation demand is expected to be higher.

Looking at the lean period the prices of all the major food item though currently lower may increase due to scarcity of the items in the markets. However, compared to the same lean period last year the prices are expected to be lower but slightly higher than the normal situation.

During the period (May - June – July – August) the household purchasing power is expected to be lower but when compared to the same lean period last year and the normal situation it is expected to be higher.

10. Highlights of key areas of concern

The respondents overall view on the events that is affecting the market and trade this year includes;

- i. Border closure
- ii. Insecurity on the roads
- iii. Road harassment by security agents and multiple taxes
- iv. High transportation cost,
- v. Bad road conditions
- vi. Lack of total commitment to the assessment by the Government and some Development Partners
- vii. Bad condition of pastures
- viii. Fluctuating current exchanges rates
- ix. Pests and animal diseases

11. The main constraints identified in the marketing chain

- Lack of adequate coverage of states and market to be more representative of the region or country
- Border Closure affecting international transactions,
- High level of Insecurity along the roads,
- Cattle rustling.
- Drop of the levels of markets flow
- Devastating floods that destroyed hundreds of farms and produce.
- Low households purchasing power.

- Inadequate capital for trade by the traders.

IV. Conclusion

The assessment concluded that despite the challenges, the markets covered were well supplied with the commodities and stocked with all the major food items. It also indicated that despite all the challenges, the markets are functioning very well. However, insecurity, communal crisis, border closure and kidnapping have largely affected crop production and the proper market functioning in some areas.

V. Recommendations

Hence, to help in address food insecurity in the country, the Government of Nigeria should invest more in Agricultural sector, security and ensuring market flows. Also, farmers whose crops and/or animals were damaged as a result of flood should be assisted so that they will not be subdued by fear that could lead to low investment in agriculture in subsequent years which might also lead low market supplies and high market prices. The listed recommendations bellow may help in improving the situation;

- 1) Sustain the market monitoring
- 2) Provide capacity building for the National stakeholders and the state enumerators on best practices.
- 3) Proper record keeping and documentation of stock, supply and demand level in the market by the market officials should be encouraged.
- 4) The Federal Government and the development partners should extended the market monitoring exercise to other region of the country.
- 5) Some financial support should be provided to the state enumerators for proper and more coverage by the Federal Government with some supported from the development partners