



ERGP Focus Labs Monthly Newsletter

MINISTRY OF BUDGET AND NATIONAL PLANNING

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Welcome to the 7th Edition of the ERGP Focus Labs Newsletter, a publication that features progress on investments unlocked and projects facilitated at the Focus Labs.

Agriculture and Transportation

New Outgrower scheme to boost agricultural productivity for over 2000 farmers

Enhanced knowledge, improved yield, guaranteed offtake, financial inclusion: these are some of the projected benefits for oil palm farmers participating in the outgrower scheme launched by Biase Plantation Ltd (BPL) recently in Cross River state. The scheme is set to boost oil palm production in Nigeria, while transforming small-holder farmers into successful business owners.



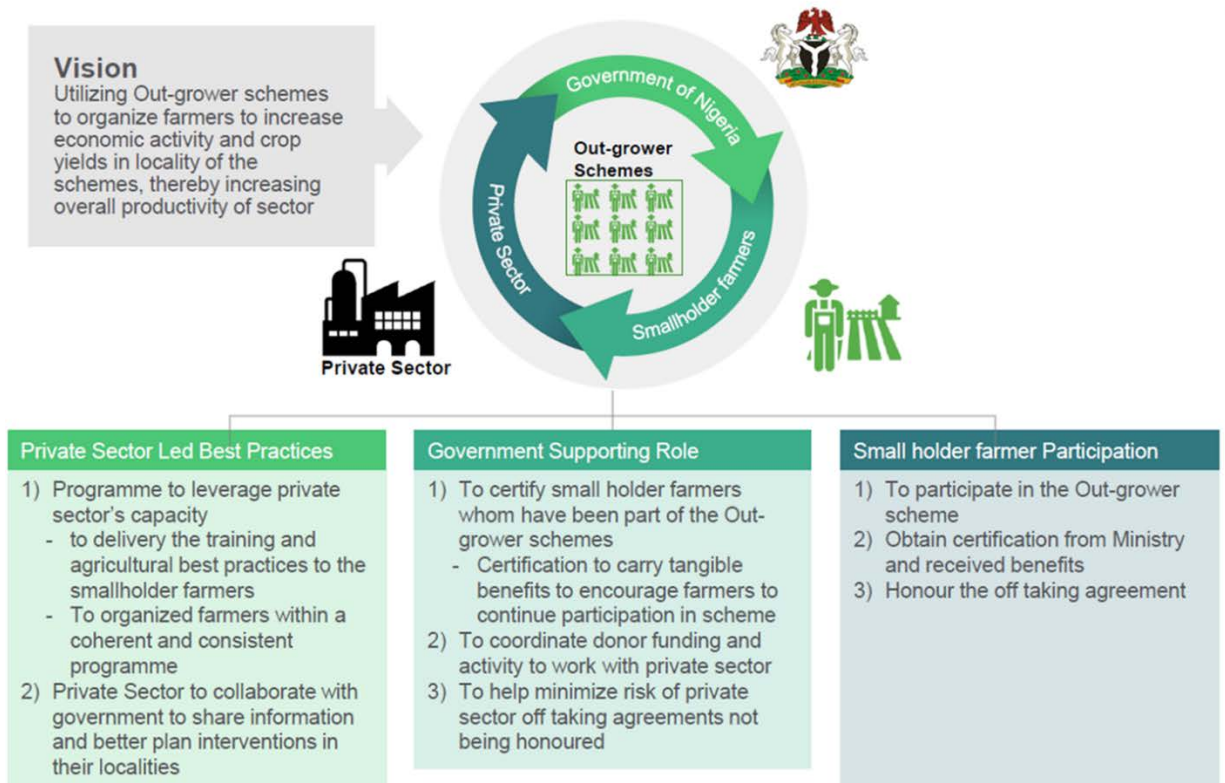
BPL has about 5000 continuous hectares of palm plantation in Cross River

BPL is a project of PZ Wilmar – a multinational corporation with decades of experience in oil palm plantation. The organisation was one of the top ten agriculture companies which participated in the ERGP Focus Labs in order to harmonise their criteria to establish a successful outgrower programme in Nigeria.

The vision was to support farmers to increase economic activity and crop yield, thereby increasing overall agricultural productivity.

Prior to their participation in the Labs, big sector players had mixed experiences in deploying outgrower programmes across Nigeria. The ERGP Focus Labs supported BPL in developing an implementation plan for deploying and managing an outgrower scheme, and provided a platform to learn from previous and existing players on what worked or did not work for them. The outcome of these sessions was a unified standard agreed upon by participants to govern a successful outgrower scheme. The ERGP team also facilitated meetings between Biase and the Central Bank of Nigeria in order to address funding issues.

ERGP FOCUS Lab: Private Sector Out-grower Support Programme



With great potential to scale up, there are currently over 40 more cooperatives with about 1,000 farmers that are fully registered and awaiting entry into the outgrower programme. In preparation for this, over 2,500 hectares of farms have been mapped and geo-referenced in order to ensure that they are not situated within forest reserves, protected areas and other priority areas for conservation. These co-operatives have been cleared to potentially take part in the outgrower programme.

With smallholder farmers administering up to 70% of the total agricultural production in Nigeria, the programme is supporting leading agricultural players to provide the necessary assistance to these farmers, in order to increase their yield and income.

Today, BPL is at the frontline of implementing the new outgrower model and has commenced the pilot programme with 45 farmers. These farmers, who have over 150 hectares of land between them, were supported to organise themselves into cooperatives, open bank accounts and obtain Bank Verification Numbers. In addition, BPL also facilitated the conduct of detailed boundary surveys and obtaining the necessary title documents for their land. Planting has since been completed on 120 hectares of land, while the remaining farms are expected to be fully cultivated by May 2019.

Manufacturing and Processing

A review of the 70 projects in this work stream by a European Union-sponsored team has confirmed some progress in projects that featured in the Manufacturing and Processing work-stream. The visits to project owners by the EU- sponsored team was part of the periodic monitoring and evaluation exercise to ensure that the ERGP team keeps in touch with Focus Lab participants and their continued progress. Notable projects gaining momentum include:

Abuja Industrial Park infrastructure development records progress

Progress has been made in the construction of the access road to the Abuja Industrial Park, a single service carriageway at the Abuja Industrial Park. The expressway is expected to link the Ring Roads from the Central Area to the Outer Northern Expressway. The Abuja Industrial Park in the Idu Industrial Zone is expected to host 117 industries in addition to several SMES, and complemented with a myriad of support services.

Delay in the construction of the only access road to the Park had been the main reason why a number of companies seeking to relocate to the Park have not done so. Site visits by the ERGP Implementation Unit in January 2019 showed that some progress has been made in this direction. The Engineering and Works Department will soon conduct a project milestone review on the road construction site given to the civil engineering company, Salini Nigeria Limited, to ascertain the level of work done in providing the access road required. Barring any failure from the relevant parties, it is expected that the access road would be completed by first quarter, 2020. Five companies which were part of the focus labs are expected to benefit from land allocation in the Industrial Park at the completion of the access road.

Self-sufficiency: Policies for Cassava and Dairy products underway

The Federal Ministry of Industry, Trade and Investment is working with the Federal Ministry of Agriculture to finalise the draft dairy policy, expected to boost the production of milk, yoghurt, and cheese products in Nigeria. Similarly, the draft cassava policy expected to provide additional incentives for the production of cassava starch is awaiting the consideration of the Economic Management Team from where the Tariff Technical Committee (TTC) will get instructions to amend the tariff register. Both policies are expected to boost local and foreign investments as well as provide an increasing number of jobs in the respective areas.

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Website: www.nationalplanning.gov.ng

for more information, contact:
ergp@nationalplanning.gov.ng

Sent by folarin.alayande@nationalplanning.gov.ng