

6. Government Policies Affecting Grain and Agriculture

Government policies are as follows:

(a) grain production: private sector investment incentives to promote output in grain production, and a pricing policy which protects the producer against cheaper imports.

(b) grain imports or exports: improved storage and distribution systems along with a stable pricing policy to compete with cheaper imports.

(c) grain consumption patterns: with a population growth rate of 2.25% per annum, human consumption of maize continues to outstrip the supply of feed to livestock resulting in a reliance on the importation of yellow maize (grade 3) for livestock.

(d) grain reserves: grain reserves are minimal due to inadequate infrastructure and trained manpower.

(e) meat production and consumption: meat production is based on the consumption of 180,000 tonnes of meat per annum for a population of 90 million. About 40% of meat consumption is from beef and 24% from poultry. There is also a domestic swine industry which numbers about 1.3 million head.

Should the Nigerian Government decide to throw open the importation of high protein wheat to international tender and monitor the C and F imported price, Canada would stand a chance of acquiring a greater share of Nigeria's annual imports of 2 million tonnes of wheat.

Nigeria is the second largest producer of beer in Africa, the country operates over 25 breweries and 4 major distilleries and with barley malt imports of about 150,000 tonnes annually is in the process of developing a domestic barley malt industry. This new industry will require imports of malting barley but could also be an impetus to develop indigenous production of barley suitable for malting.

7. Canadian Grain Marketing Prospects

There are no available projections to 1985 or 1990 due to the lack of organized data collection banks.

Marketing initiatives: Short-term: aid/commercial packages to solve Nigeria's grain storage problems to include manpower training.

Long-term: regarding wheat, a more liberal policy with respect to credit lines based on C and F landed price.

Longer term: an aid/commercial program to assist Nigeria to develop improved strains of wheat. The program could include assistance in barley varietal development leading toward self-sufficiency in barley required for malt plants which are now being built.

An aid program to determine the viability of special crops would be required before any marketing in these could be done.