

### 3. Fertilizer Situation cont'd

Consumption is expected to rise from the current 800,000 tonnes per annum to 1.3 million tonnes by 1985\* (the equivalent of 16.5 kg of nutrients per hectare - still well below the world average in 1980 of 77 kg, and only slightly above the average for Africa that year).

\* Source: Financial Times, January, 1984

### 4. Import Mechanism

Estimated production capacity of private flour millers is 1.8 million tonnes per annum. Since the millers have developed the only viable storage facilities they control the source and importation of wheat, mainly from the U.S.A.

Pressure from the poultry producers has led to the perpetuation of middlemen to acquire import licenses for maize to be imported from the U.S.A. in 1984. This preempts the Nigerian Grain Board (NGB), which has an import license of only 20,000 tonnes (to date) in 1984. In the long term, the NGB plans to control the importation of quality maize and wheat into Nigeria.

One of the major objectives of the current Military Government is to remove middlemen from negotiating overseas supplier contracts and reduce the price to the end user. This objective has yet to be realized with respect to wheat and maize. The Federal Ministry of Commerce is at present responsible for assigning sales representatives to negotiate with the suppliers and issuing import licenses. This policy should continue for some time.

### 5. Grain Industry Infrastructure

The four major millers (9 mills) control the importation and storage of wheat as well as the milling and distribution of flour. The Nigerian Grains Board, a government parastatal organization, buys locally produced grains for re-sale at government subsidized prices. However, it lacks storage facilities to cope with the production of guinea corn, maize, millet, sorghum, cowpeas, and rice. It is estimated that up to 40% of local production is wasted in post-harvest due to inadequate storage and handling operations.

The National Grains Production Co. Ltd. is the major miller of locally produced grains for livestock feed. It is a joint private and public sector company dealing only in production. It also has a number of joint venture investments with foreign shareholders in crop and livestock production.

There are a small number of private feed mill operations throughout Nigeria. However, production is small-scale and geared to localized farming.

In regards to domestic production the lack of adequate storage facilities, transportation and trained manpower make it difficult to reduce the level of grain imports. The Nigerian Grains Board and the Federal Ministry of Agriculture are implementing a plan to find solutions to the foregoing impediments. It includes proposals to construct additional storage facilities beyond 1984-85.