

Investment Opportunities in Nigeria's Maize Value Chain

January 2020





Nigeria is the second largest maize producer in Africa with capacity to significantly increase production

Investment in the Nigerian maize sector remains an attractive option due to the enabling agriculture landscape, business environment, production, processing and trade opportunities

Population is projected to increase to

400mn

by 2050 making it the 3rd largest country in the world

13mn

hectares of land available for agriculture

Potential to increase maize yield to about

7mt/ha

from 0.4 mt/ha through provision of quality inputs such as high yielding seed varieties

Government restriction on access to forex for food imports amounting to

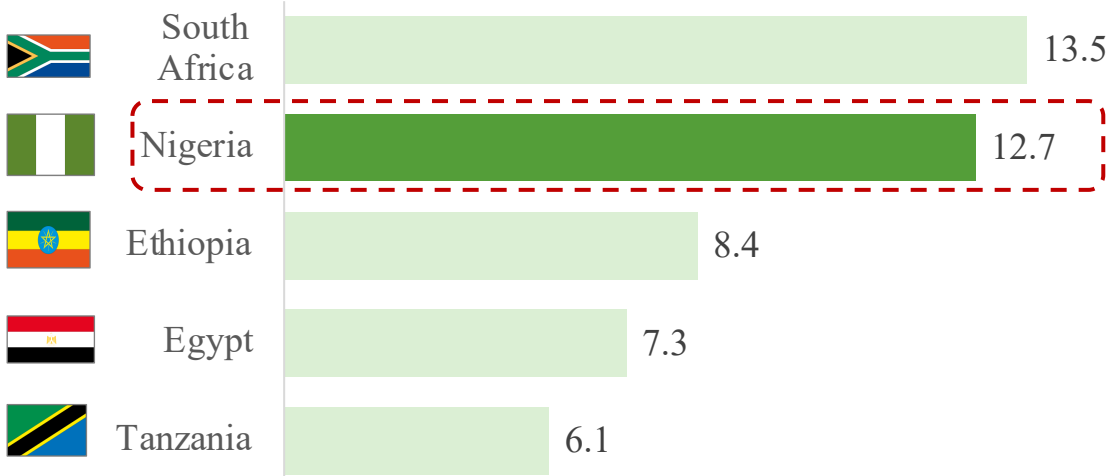
11bn annually creates an opportunity for increased production of maize to ensure sufficiency



Key enablers for investment in maize sector in Nigeria

- Regional maize deficit that can be addressed by Nigeria through expansion of cultivation to available arable land
- Foreign investors can increase yield and improve quality (including aflatoxin reduction) via better agronomic practices
- Tax incentives are available to agribusiness players
- Member of the African Continental Free Trade Area (AfCFTA)
- 3% year on year population growth with 8 major cities projected to have a population of about 2mn by 2050

Nigeria is the second largest maize producer in Africa after South Africa, producing over 12 MMT of maize in 2018.





Several viable investment opportunities exists across the maize sector value chain

Input supply, production, trade and distribution segments in the maize value chain presents substantial investment opportunities and potentially large returns due to key sector gaps that are yet to be addressed

S/N	Opportunity	Value chain position	Estimated opportunity size
1.	Investment in maize seed production	Primary Production, Trade & Distribution	▪ \$96mn
2.	Investment in maize production	Production, Trade & Distribution	▪ \$118mn
3.	Investment in animal feed production	Production & Distribution	▪ \$101mn (broiler feed) ▪ \$171mn (layer feed)

Active private sector players in the Nigerian maize value chain



Critical success factors for opportunity areas

Competitive pricing

Effective distribution network

Consistent quality

Strategic management

Content

01

**Introduction & global
market assessment**

Page 5

05

**Operating cost and
location analysis**

Page 26

02

**Nigerian market
assessment**

Page 10

06

**Applicable incentives and
key regulatory agencies**

Page 30

03

Investment opportunities

Page 15

07

Call to action

Page 33

04

Case studies

Page 20



01.

Introduction & global market assessment



Globally, maize is the largest component of coarse grains, accounting for two-thirds of world volume over the past decade

Investment in maize is viable due to its numerous uses, geographic adaptability and stable pricing

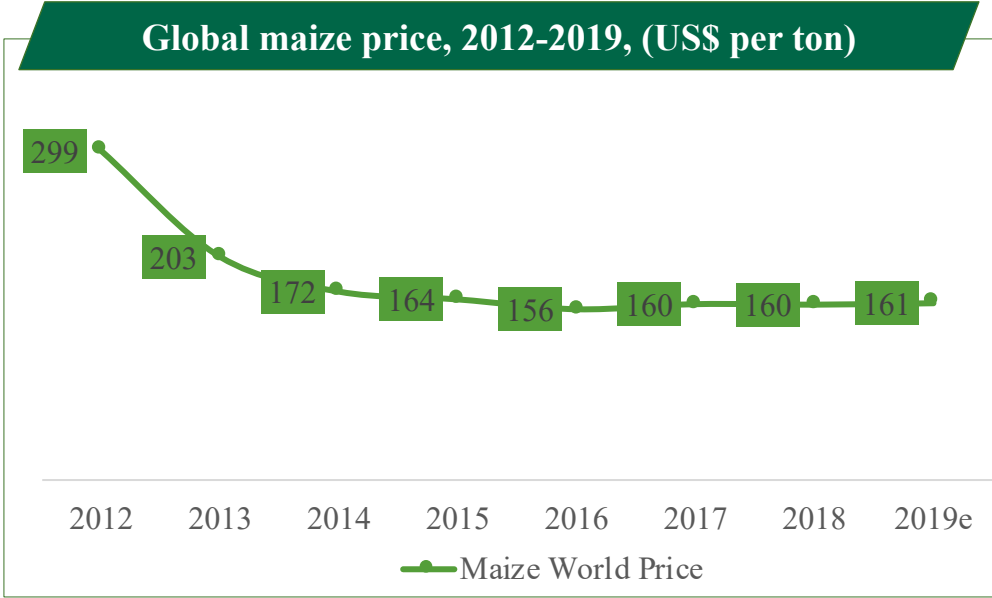
- Maize is one of the most important cereals both for human and animal consumption and it is mainly grown for grain and forage.
- As a result of the green revolution and widespread development in biotechnology, there has been an increased availability of genetically modified maize seeds hence the increased production and yield of maize worldwide.
- Maize is processed into a variety of products including corn starch, sweeteners, corn oil, beverage, industrial alcohol and ethanol.
- It is categorized into two groups, namely white and yellow. Based on type, maize market is segmented into the following categories: Field maize; Sweet maize; and Indian maize.
- Market prices are usually higher for white maize than yellow maize but the premium varies depending on the local demand and supply conditions.¹
- Maize price in 2018, as measured by the benchmark U.S Gulf maize (no.2, yellow), was \$160/ton.²

Source: ¹Maize: International Market Profile, ² OECD-FAO Agriculture Outlook

Most of the consumption of maize is in form of animal feed and it is also used across chemical and pharmaceutical industries for manufacturing purposes.



Source: OECD-FAO Agricultural Outlook 2019-2028



Source: OECD-FAO Agricultural Outlook 2019-2028

Maize has a variety of use cases in human food, beverages, animal feed and industrial processes

Maize has diverse use cases

Animal Feed¹

- Maize is typically used as animal feed to make a variety of meals such as maize gluten meal, maize seed cake etc.
- Some common animal feed use cases include:



Diary and Beef Feed
Reduces the time to fatten livestock and increases carcass yield



Poultry Feed
Preferred feed content due to its digestible and energy giving quality



Swine Feed
Offers favorable amino acid, phosphorus and fatty acid

Alcoholic Beverages¹



Beer
Maize grains are commonly fermented to produce beer



Spirits
Maize syrup is distilled to produce spirits

Other Industrial uses¹



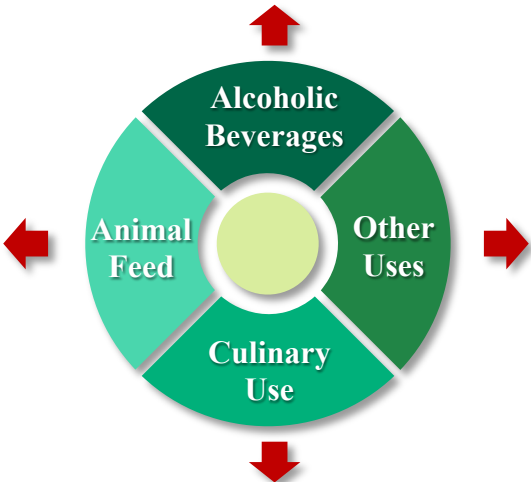
Ethanol
Used to produce plant-based biofuel which is the fastest growing renewable energy



Pharmaceuticals
Used in pharmaceutical drugs such as antibiotics



Household items
Maize is used to make candles, carpets, soaps, shoe polish



Human Food¹



Maize Grains
Used in the production of breakfast cereals and other household foods, boiled corn and tuwo



Maize Flour
Maize flour is mainly used in the production of pap, tuwo, pancakes

Source:¹ [World of corn](#)

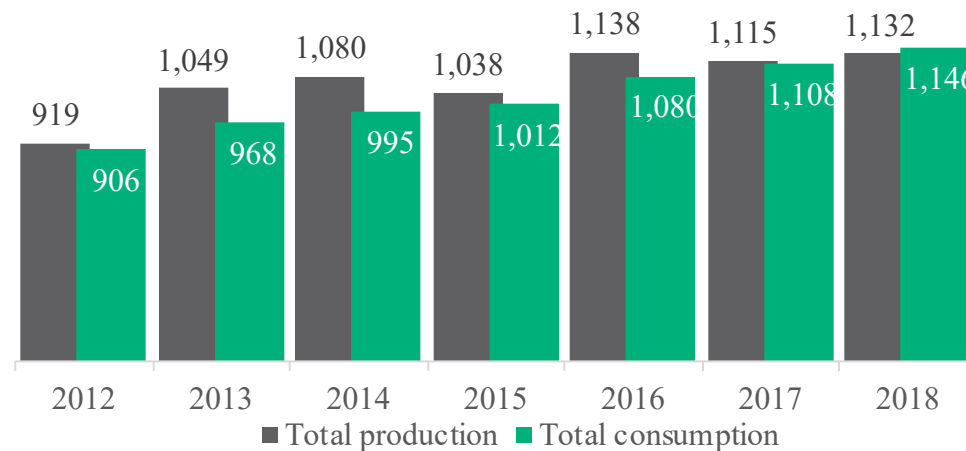
USA is the largest producer of maize owing to technological improvement and advanced production practices

Increase in global production and consumption is primarily attributable to government's focus on value chain development and rising population

- While in the past production has outstripped consumption, this is changing due to increases in developing country demand, especially for animal feed.¹
- North America and Asia remain the top producers and consumers of maize.
- Demand in U.S.A is expected to rise as a result of the permit by the President to increase the component of ethanol in gasoline to 15% from 10%.²
- China has become the second largest producer of maize as a result of government's focus in developing the maize value chain through the provision of discounted sales, subsidies on transportation and VAT refunds.³

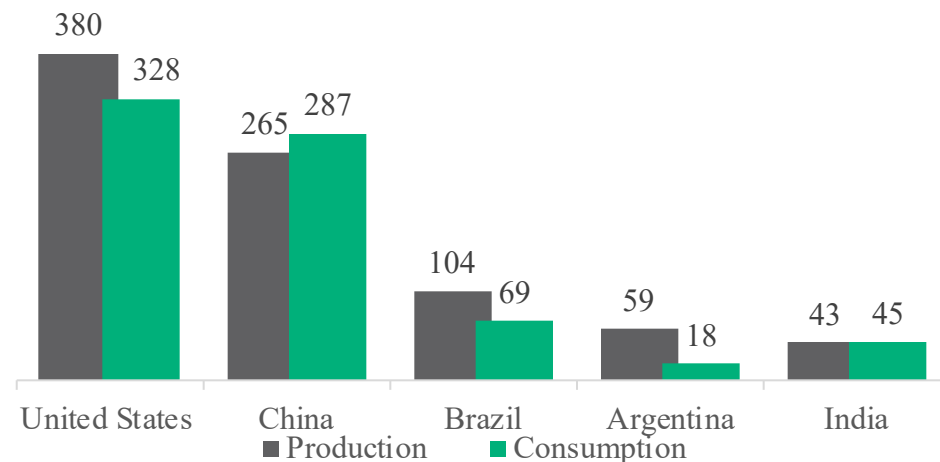
Source: ¹OECD-FAO Agricultural Outlook 2019-2028, ²World Commodity Forecast: Maize, EIU, 2019, ³USDA, Grain: World Markets and Trade,

Global maize production & consumption, (MMT)



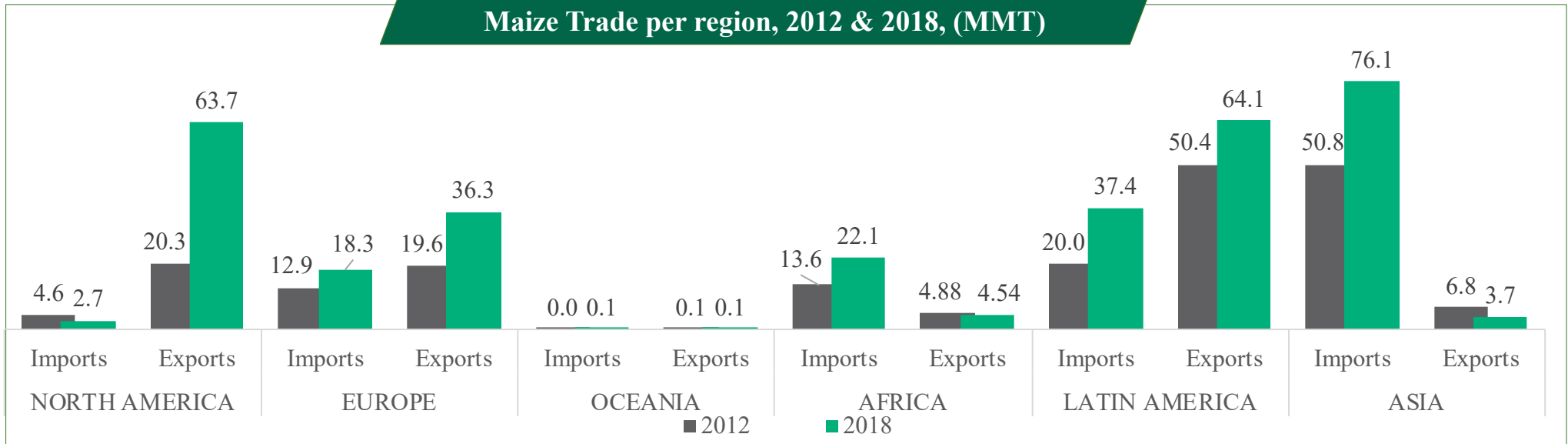
Source: OECD-FAO Agricultural Outlook 2019-2028

Top producers and consumers of maize (MMT)



Source: OECD-FAO Agricultural Outlook 2019-2028

Across regions, trade has been driven by climatic advantage, animal feed usage and government investment in infrastructure



Source: OECD-FAO Agriculture Outlook

Increased import of maize driven by growing global livestock industry and rising income levels

- There has been a significant increase in the export of maize from North America to other regions. In 2018, the USA exported 28% of total global production of maize to over 73 countries.¹
- Brazil has emerged a large exporter of maize due to the government’s strategy to develop ports and transportation infrastructure.
- Increase in maize import in Asia is driven by growth in the livestock industry and rising income levels in the region.¹

Source: ¹OECD-FAO Agriculture Outlook

Top 5 global traders as at 2018²

Export

	U.S.A	28%
	Brazil	22%
	Argentina	19%
	Ukraine	17%
	European Union	2%

Import

	European Union	14%
	Mexico	9.5%
	Japan	9.3%
	Vietnam	6.4%
	South Korea	6.3%

 % of world exports/imports

Source: ²USDA

02.
Nigerian Market Assessment



Nigeria is the second largest maize producer in Africa with about 4.3 million hectares of land area harvested

Most cultivated crops in Nigeria (2017)

#	Crop	2017 Production (T)	% Production
1	Cassava	59,485,947	30.9%
2	Yam	47,942,712	24.9%
3	Maize	10,420,000	5.4%
4	Rice paddy	9,864,277	5.1%
5	Oil palm fruit	7,759,426	4.0%
6	Vegetables	7,233,317	3.8%
7	Sorghum	6,939,000	3.6%
8	Tomatoes	4,100,000	2.1%
9	Fruit, citrus	4,088,994	2.1%
10	Sweet potatoes	4,013,786	2.1%

Source: OECD-FAO Agricultural Outlook 2019-2028

Maize production and yield of top Sub Saharan African countries

Country	Production	Yield
South Africa	13.5 MMT	5.14 tons/ha
Nigeria	12.7 MMT	2.96 tons/ha
Ethiopia	8.4 MMT	4.19 tons/ha
Egypt	7.3 MMT	6.75 tons/ha
Tanzania	6.1 MMT	1.45 tons/ha

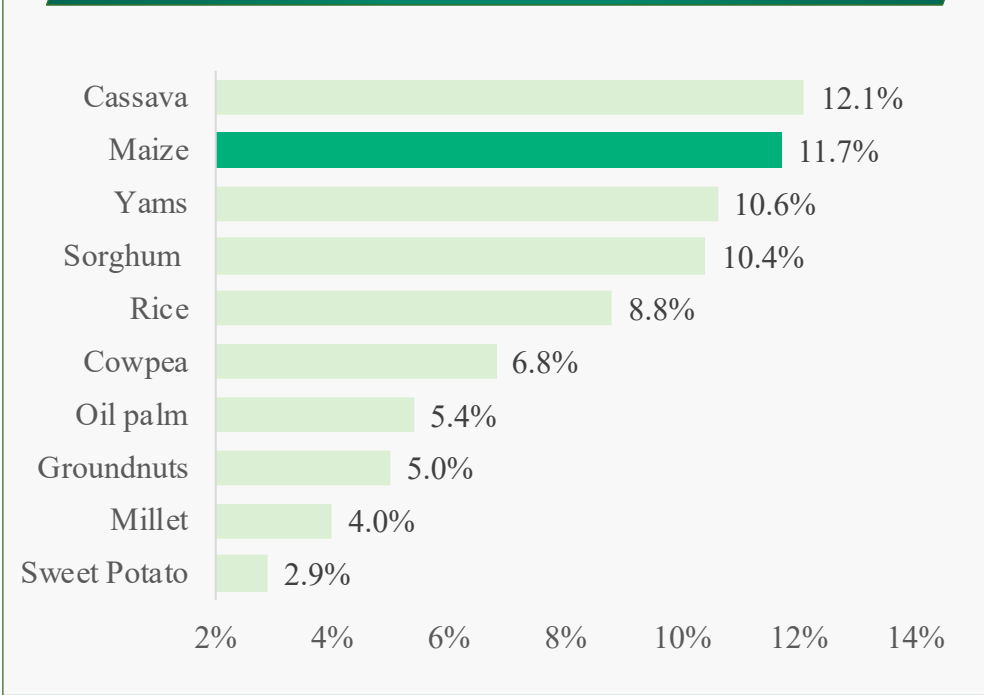
Source: OECD-FAO Agricultural Outlook 2019-2028, Food Outlook-Biannual Report on Global Food Markets, 2019, FAO STAT

Nigeria has the potential to address the maize supply deficit in Africa

- Nigeria is the second largest maize producer in Africa after South Africa, producing over 12 MMT of maize in 2018.
- By addressing the low yield issue and by expansion of cultivation to available arable land, Nigeria has the capacity to significantly increase production.

Source: OECD-FAO Agricultural Outlook 2019-2028

Cultivated crop area (2017) - mha

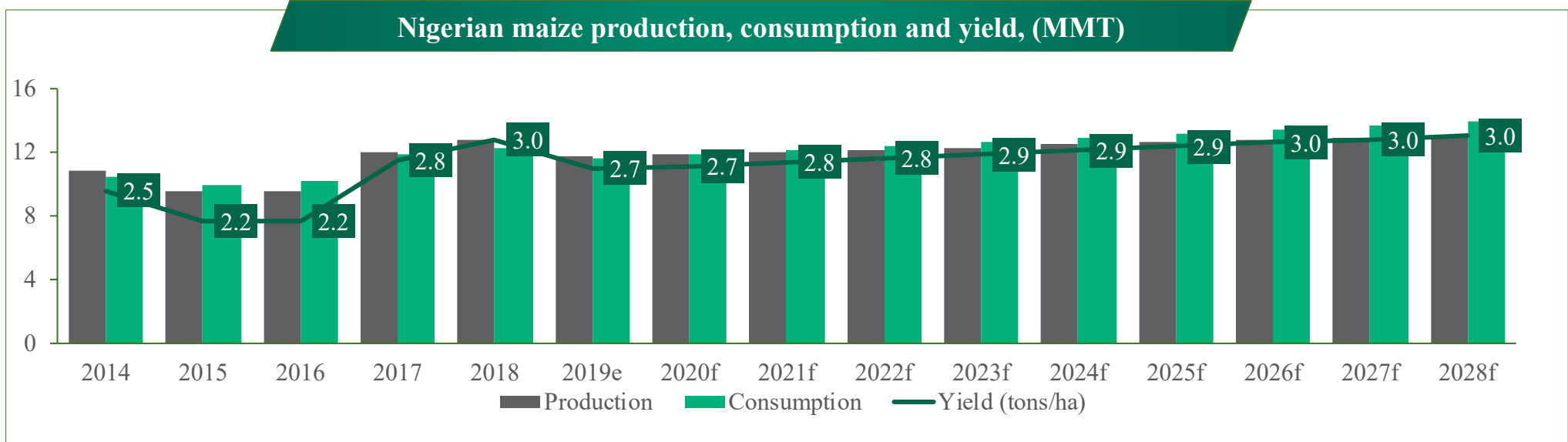


Production and consumption

Crops (Maize)



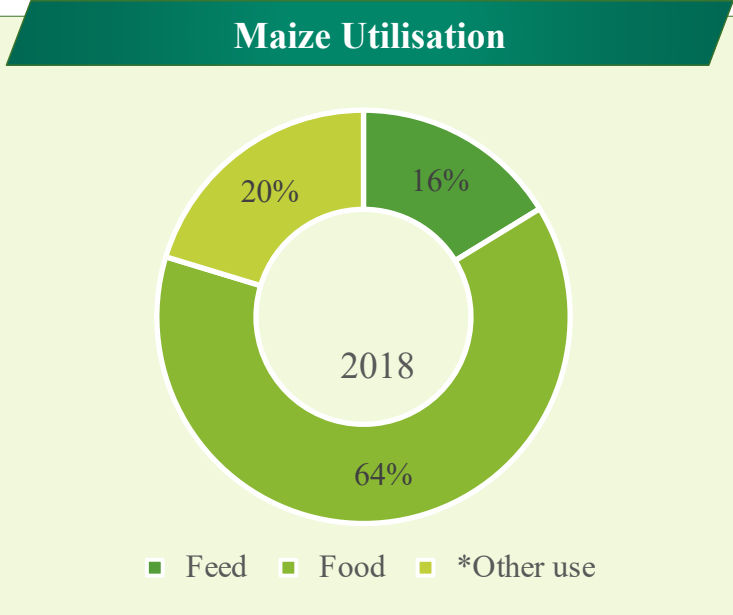
Consumption is projected to grow faster than production primarily as a result of increasing use in animal feed production



Source: OECD-FAO Agricultural Outlook 2019-2028

- ### Export led strategies by the government is set to boost production and ensure self-sufficiency
- Through the Agricultural Promotion Policy (APP), the government is focused on improving productivity in maize by partnering with private investors to develop end to end value chain solutions.
 - Domestic poultry production is expected to increase by 8 billion eggs and 100 million kilograms (kg) of poultry meat per annum making the feed sector an attractive investment area especially in feed mill operations.¹
 - Consumption is expected to increase at a CAGR of 1.25% by 2028 owing to increased use for animal feed production and food consumption which absorbs over 60% of production.²

Source: ¹OECD-FAO Agricultural Outlook 2019-2028, ²Nigeria-Grain and Feed Annual 2019, USDA

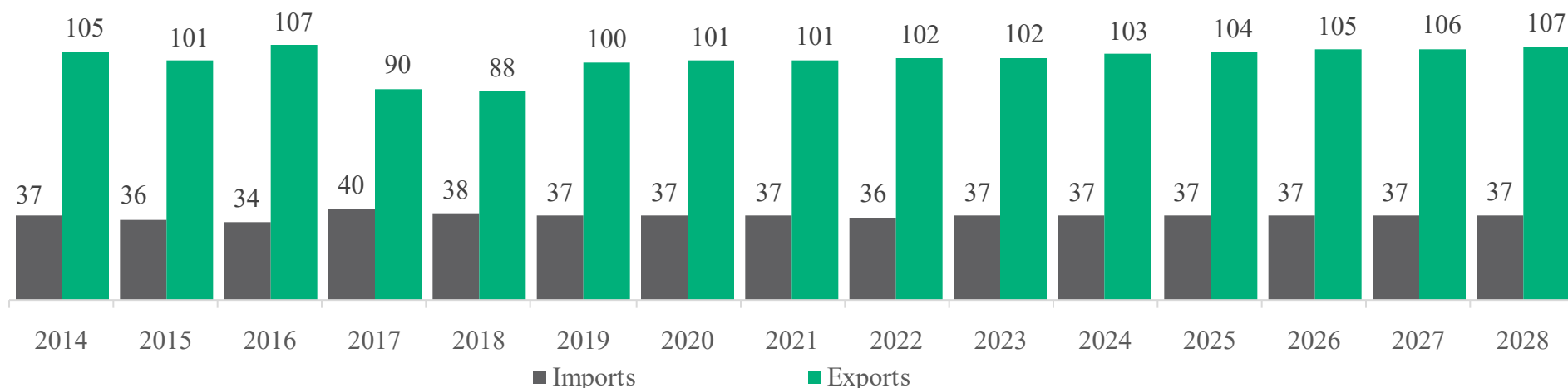


Other use include biofuel, industrial and manufacturing

Increased global demand for maize creates an opportunity for Nigeria to increase production capacity

Nigerian imports and exports (TMT)

Nigeria currently exports 88 TMT of maize which is expected to increase annually at a rate of 1.65% till 2028 on the back of increased global demand for animal protein, fuel ethanol, starches and sugars.¹



Source: OECD-FAO Agricultural Outlook 2019-2028

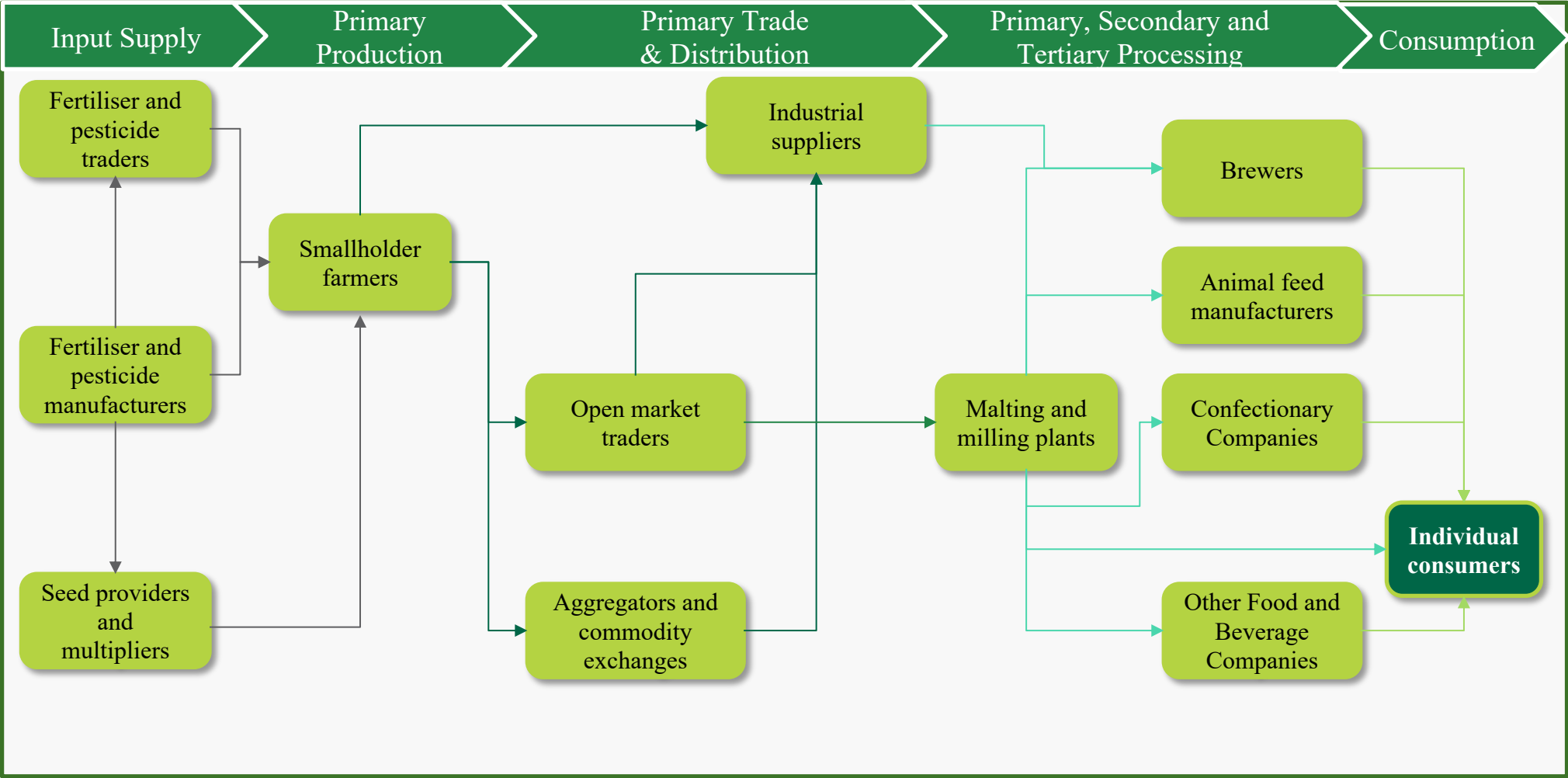
Increased global demand of maize for ethanol production, feed production and other industrial processes makes maize export an attractive investment opportunity

- Top maize export locations from Nigeria include Brazil, Turkey, India, Argentina and Lebanon.¹
- Importation of maize in Nigeria is expected to decline as a result of import control measures including difficulty in obtaining permits and access to foreign exchange.²

Source:¹Tridge, ²Nigeria: Grain and Feed Annual 2019, USDA, 2019



The Nigerian maize value chain offers a variety of opportunities across different segments





03.

Investment Opportunities

Investment opportunities

Investment in production of high yielding seeds suitable for the Nigerian climate in a bid to boost local production

Current Issue: Sub-optimal seed quality

- Due to poor accessibility to input and lack of awareness, farmers lack access to hybrid seeds which produce the highest yield of maize hence limiting production capacity.
- The gap between the quantity of certified maize seeds supplied and demanded is filled through the use of seeds saved in previous growing seasons which is not best practice.
- Increased investment in seed production by the private sector will encourage higher productivity.

Opportunity: Investment in maize seed production

✓ **Proposed Business Model**

- **Business model:** Establish a maize seed production company that focuses on production of certified hybrid seeds for smallholder farmers
- Seeds produced will meet the demand for certified seeds in the market and facilitate the nations maize production capacity suitable for the varying agro-ecological zones.

Value chain position

Input supply & production



Opportunity size

\$96_{mn}

Estimated annual revenue

Note: Opportunity size represents estimated annual revenue for each of the identified opportunities

Assumptions

- Seed type (Sammaz 53) with yield rate of 7.6 tons/hectare
- Total available agricultural land for maize: 5.29 mn hectares
- An average price of \$73 per 25kg of certified seeds has been utilised in this estimate
- Estimated addressable market size of 25%.

Key Players



Smallholder & commercial farmers



Investment opportunities

Nigeria's maize export potential within SSA provides an attractive export-driven alternative investment opportunity

Current Issue: Deficit in maize grain supply in Sub-Saharan Africa

- In Sub-Saharan Africa maize is consumed by 50% of the population and it is a preferred food for malnourished children.
- As population increases, importation of maize by SSA countries is forecast to increase at a CAGR of 3.34% by 2028.
- Thus creating an export opportunity for Nigeria to export to countries in SSA region including neighbouring countries such as Niger, Benin, Chad, and Cameroon
- As at 2018, top maize importing SSA countries included Kenya, Zimbabwe, Senegal, Tanzania and other African countries such as Egypt, Algeria, Morocco, Tunisia and Libya.

Opportunity: Investment in maize production

✓ **Proposed Business Model**

- **Business model:** Establish a maize production company that focuses on maize production to meet local demand and potential export market within Sub Saharan Africa. To ensure high quality maize production, this company will utilize a high yielding certified hybrid maize seed variety such as Sammaz 53.
- The facilitation of this opportunity can be achieved through out-grower schemes and extension services.

Value chain position

Input supply & production



Opportunity size

\$118_{mn}

Estimated annual revenue

Note: Opportunity size represents estimated annual revenue for each of the identified opportunities

Assumptions

- Seed type (Sammaz 53) with yield rate of 7.6 tons/hectare
- Potential net available agricultural land for maize: 973 thousand hectares
- Average global maize price of US\$159.7
- Estimated addressable market size of 10%.

Key Players



Smallholder & commercial farmers

Investment opportunities

Domestic poultry meat consumption is expected to increase tenfold by 2040, providing an opportunity for feed production

Current Issue: Projected increase in poultry production

- As a result of increasing population and increasing awareness of the importance of protein in diet, poultry production has been projected to grow tenfold by 8 billion eggs and 100 million kilograms by 2040.
- Nigeria currently spends \$150-200 million annually in importing poultry
- Maize constitutes about 55% of poultry feed and it is used extensively as the main source of calories in feeding poultry.

Opportunity: Investment in animal feed production

✓ **Proposed Business Model**

- **Business model:** Establish a maize feed production company that uses Quality Protein Maize (QPM) which has a higher protein content in comparison to other maize varieties and reduces cost of feed by 5%.
- The facilitation of the provision of QPM maize for feed production can be achieved by QPM seed multiplication/maintenance of purity through already existing QPM villages or by establishing new QPM villages.
- Production of feed will be facilitated by the establishment of a state-of-the-art in-house maize mill.
- A variety of maize poultry feed can be produced including maize gluten meal, maize gluten feed, maize seed cake, maize germ meal and liquid feed syrup.

Value Chain Position

Processing



Opportunity size

\$101_{mn}

Estimated annual revenue
for broilers

\$171_{mn}

Estimated annual revenue
for layers

Note: Opportunity size represents estimated annual revenue for each of the identified opportunities

Assumptions

- Seed type Quality Protein Maize (QPM) with yield rate of >5 tons/hectare
- Market size based on annual projected tenfold increase by 2040
- Average size of poultry, 2.5kg
- Estimated addressable market size of 15%

Key Players



Investment opportunities

Mechanisation, fertiliser utilisation and access to extension services are key gap areas in Nigeria's maize input sector

Element	Snapshot	Nigeria's Competitiveness
Mechanisation Rate	0.3 hp/ha¹ Nigeria's current agricultural mechanisation rate	- At 0.3hp/ha, Nigeria's agriculture mechanisation rate is 24% less than the FAO-recommended rate of 1.25hp/ha². This significantly impacts agricultural productivity and puts the country at a production disadvantage - However, it offers opportunities for strategically-placed private sector players such as Hello Tractor and IBM who have recently invested in the space.⁴
Fertiliser utilisation	20kg/ha Nigeria's fertiliser utilisation rate	- Although Nigeria is self-sufficient in its Nitrogen-based fertiliser demand, current utilisation is only 20kg/ha⁵ which represents 14% of the global average of 141kg/ha⁶. - Low fertiliser utilisation in Nigeria results in relatively-poor yields and is a result of the subsistence-farming approach by smallholder farmers and a lack of developed supply chains.
Agricultural Extension Services	6% % of Nigeria's smallholder farmers who have access to extension services	- Farmers do not have sufficient information to operate effectively as only 6% of smallholder farmers had access to extension services in 2018.⁷ - However, private sector players such as FarmCrowdy⁸ and ThriveAgric have stepped in to bridge this extension gap in exchange for exclusive trading and export privileges for farmers' produce.

Sources: 1 – [Analysis of Incentives and Disincentives for Sorghum in Nigeria](#); 2 – [FAO](#); 3 – [Tech Crunch](#); 4 – [AllAfrica](#); 5 – [Fanway](#); 6 – [World Bank](#); 7 – [FAO Report on Global Food Markets](#); 8 – [FarmCrowdy](#)

04.
Case Studies

Value seeds is engaged in seed research, multiplication, processing and distribution of improved seeds



Company overview

Value Seeds Limited is an indigenous crop seed production solution and development company incorporated in 2009. The company is the first and only seed company in Nigeria to launch a formal commercial extension programme. Product offerings are two fold: field crops and vegetables with technology dissemination.

Company profile

- They offer a wide range of seeds that have become popular with farmers and agro-input dealers in Nigeria.
- The company's portfolio mainly consists of open-pollinated seed varieties, while offering hybrid varieties for a few crops, including maize. Its main crops are maize, rice and soybean.

Company highlights

- In 2019, Value Seeds topped the first Access to Seeds Index for Western and Central Africa, underscoring the potential of homegrown seed companies to reach smallholders in the region. Value Seeds Limited has supported more than **15,000 farmers** in targeted interventions since 2016.
- Through their field to market initiative they have trained farmers on agronomic best practices and provided improved access to agricultural technologies and inputs.
- Value seeds has also been acclaimed for its provision of “**value kits**” for maize farmers. This kit contains technological products required by a farmer to produce high quality maize on a quarter hectare farmland.



15 thousand
farmers reached

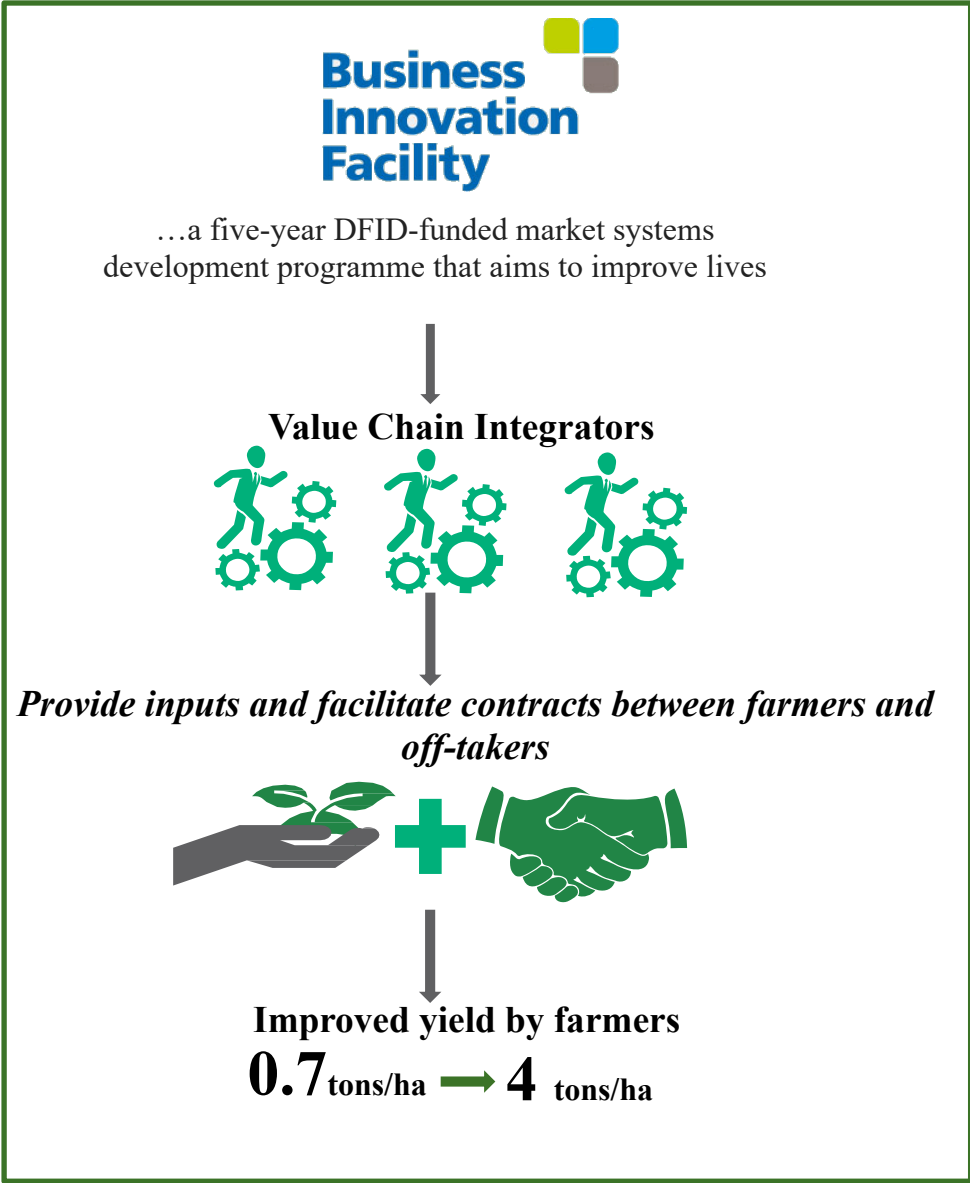


15 thousand MT
storage facility



US\$3.2mn
revenue as at 2017

Pre-planting contracts facilitated by value chain integrators ensures favorable market dynamics for farmers



Contract farming

- Contract farming is agricultural production carried out according to an agreement between a farmer and an industrial off-taker. However, due to poor quality input farmers often times face a loss and inability meet the volume agreed.

Introduction of value chain integrators into contract farming by Business Innovation Facility (BIF), Nigeria

- Scheme:** Introduction of value chain integrators in contract farming in the Nigerian maize market to solve the constraint of poor quality input which limits production capacity.
- Service:** In this scheme, the contract now includes the provision of inputs such as seeds, fertiliser and knowledge of best practice provided by a value chain integrator who is usually an input producer e.g. Value Seeds. The cost of input is borne by the off-taker as credit to farmers which is deducted after produce is received from farmers.
- Value Proposition:** The value chain integrator ensures trust between both parties by managing the planting cycle and ensuring best practice and provision of quality input. At the end of the cycle off-takers are satisfied and farmers produce higher yield which translates to a better standard of living.
- Reach:** 15,000 farmers.¹

Source: ¹Business Innovation Facility

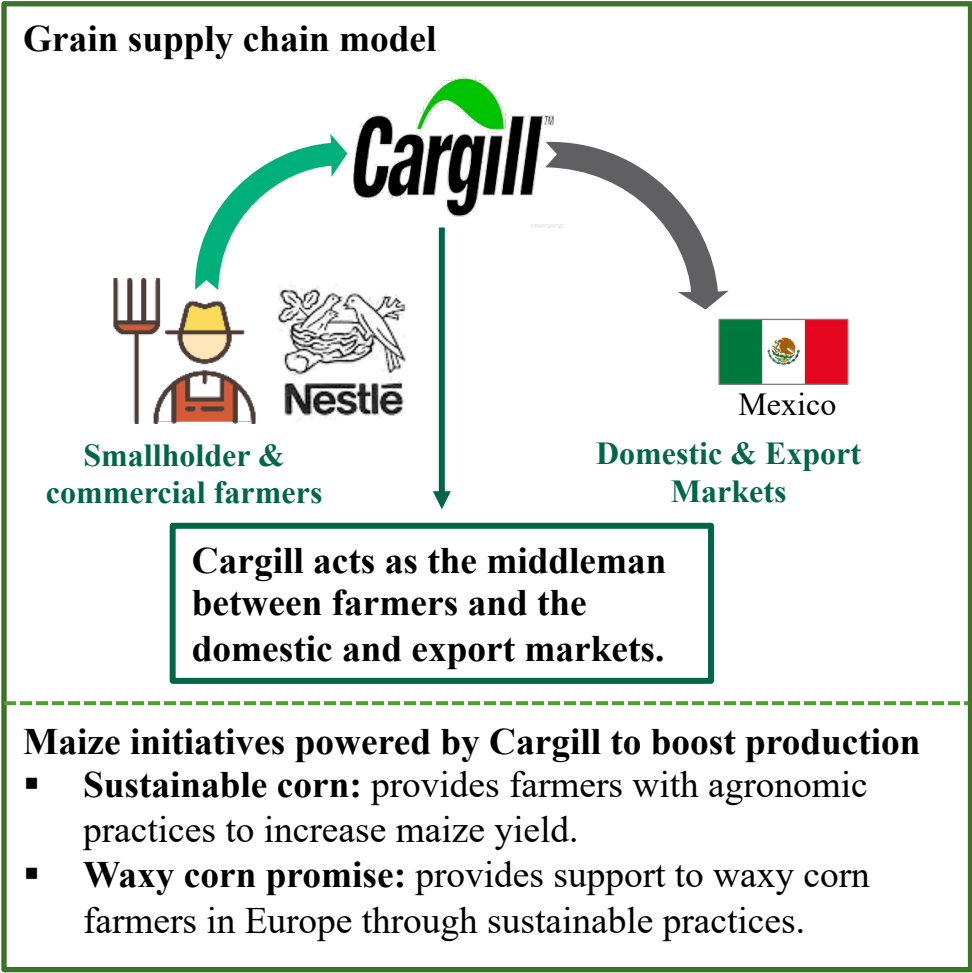


Cargills supply chain activities ensures production of quality maize required to meet domestic and export market demand



Company overview

Cargill is one of the world’s leading merchants of grains. Cargills supply chain activities include supplying grains such as maize to the domestic and exports markets.



Impacts



153 years
years in existence



2.3 million
farmers trained



\$113 billion
revenue as at 2019

Business enablers



Market expertise



Input supply



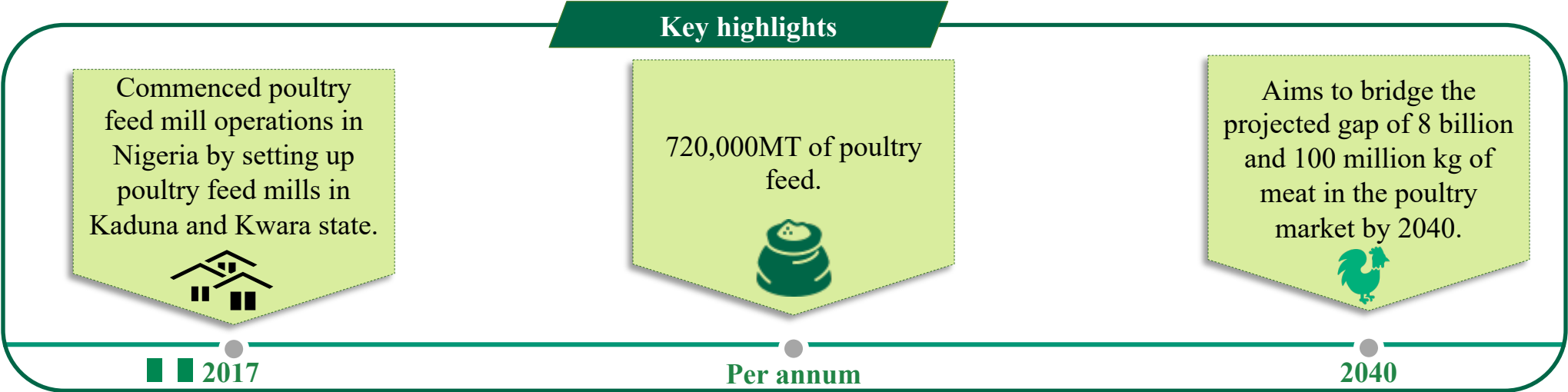
Processing & storage facilities



Transportation



Olam operates the largest integrated feed mill in Nigeria, producing over 720,000 MT of poultry feed



Company profile

- Olam Nigeria Ltd is a subsidiary of Olam International, headquartered in Singapore. The company, has grown into a global supply-chain manager, integrating agricultural production, processing, financing and commodity trading platforms, with operations in over 60 countries. The company invested in Nigeria’s animal feed industry, in order to cater for the growing demand for poultry products in the country.
- The main agricultural products used in the production of poultry feed are maize, wheat and soy sourced from local formers to thereby benefitting the livelihoods of over 300,000 farmers.
- Currently Olam produces two poultry feed brands: standard feed (Chikun) and premium feed (Ultima), fortified with amino acids, vitamins, minerals and feed additives that meet international and national standards.

Business enablers →  **10,000 farmers**
Training on best agronomic practices

 **60 veterinarians**
2 years internship offered for knowledge transfer purposes

Nestlé Nigeria Plc is a major investor in the maize value chain and has grown its local capacity since commencement

Highlights

■ ■ 1961

Nestlé's industrial presence began in Nigeria



50,000 tons/month
Cereal milling capacity at the Agbara Factory

■ ■ 2187

Number of employees as at December 2018

■ ■ 2 factories in Nigeria

- Agbara Manufacturing complex
- Flowergate Factory, Sagamu



US\$740 Million
Turnover as at December 2018



Value chain role

- Input
- Processing

Company profile

- Nestlé Nigeria Plc engages in the manufacture, marketing, and distribution of food and beverage products. It operates through the business segments: Food and Beverages.

Value Chain Strategy

- Nestlé Nigeria Plc launched the Feed the Future Nigeria and Nestlé Maize Quality Improvement Partnership (M-QIP) (2017-2020) with the support of the USAID to enhance quality, safety and transparency in the grain supply chain, as well as, improve agricultural practices of smallholder farmers and farmer associations.
- Nestlé sources most of its raw materials used in production from Nigeria. Hence Nestlé invests heavily in series of trainings on sustainable farming practices and business management skills on their about **41,700** local farmers.

Maize products by Nestle





05.

Operating Costs and Location Analysis



Rail transportation cost has significantly reduced over the years creating an enabling environment for distribution and supply

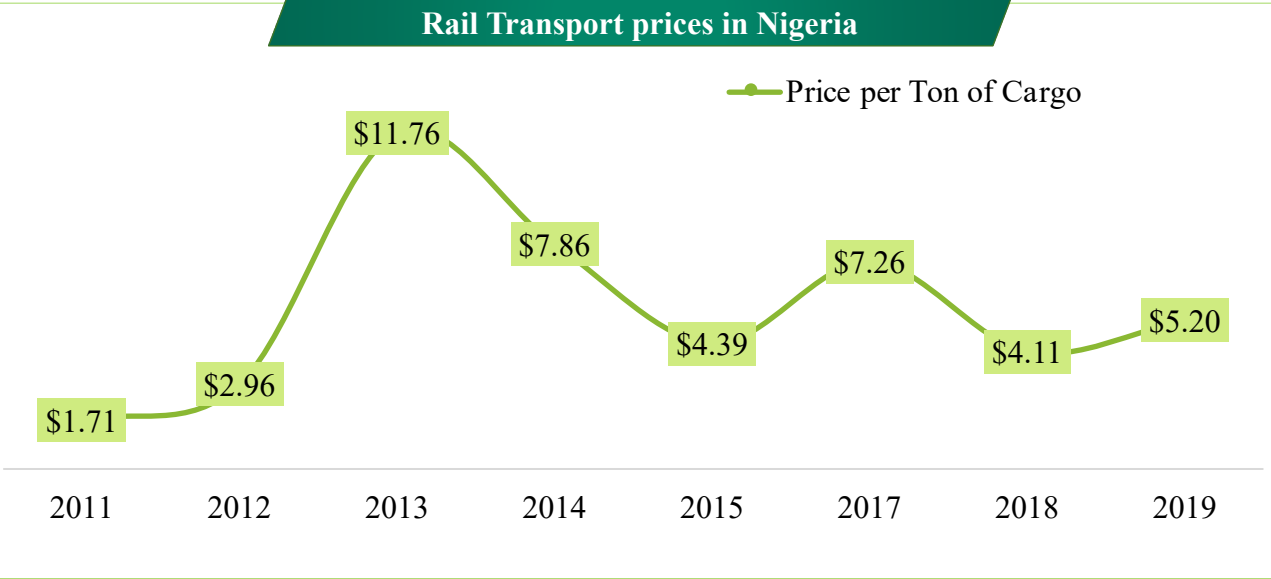
Cost of haulage from maize producing regions to key processing regions (\$) - December 2019¹

Top maize producers →	Borno		Kano		Plateau		Ondo	
Destination ↓	Low	High	Low	High	Low	High	Low	High
Abia	2,200	2,661	1,278	1,544	1,122	1,358	958	1158
FCT	1,581	1,914	958	1,161	689	836	964	1167
Kaduna	1,203	1,458	544	661	733	889	1,014	1,228
Lagos	2,058	2,492	1,267	1,533	1317	1594	578	697
Ogun	2,381	2,889	1,358	1,644	1,378	1,667	678	819

Source: Kobo 360 Price Estimator

Road transportation

- Haulage prices in Nigeria vary according to the weight of products, shipping distance, and to some degree, the security and infrastructural conditions of origin, routes and destinations of shipments.
- The cheapest road haulage distance between top producing and processing/export region is between Lagos and Ondo.



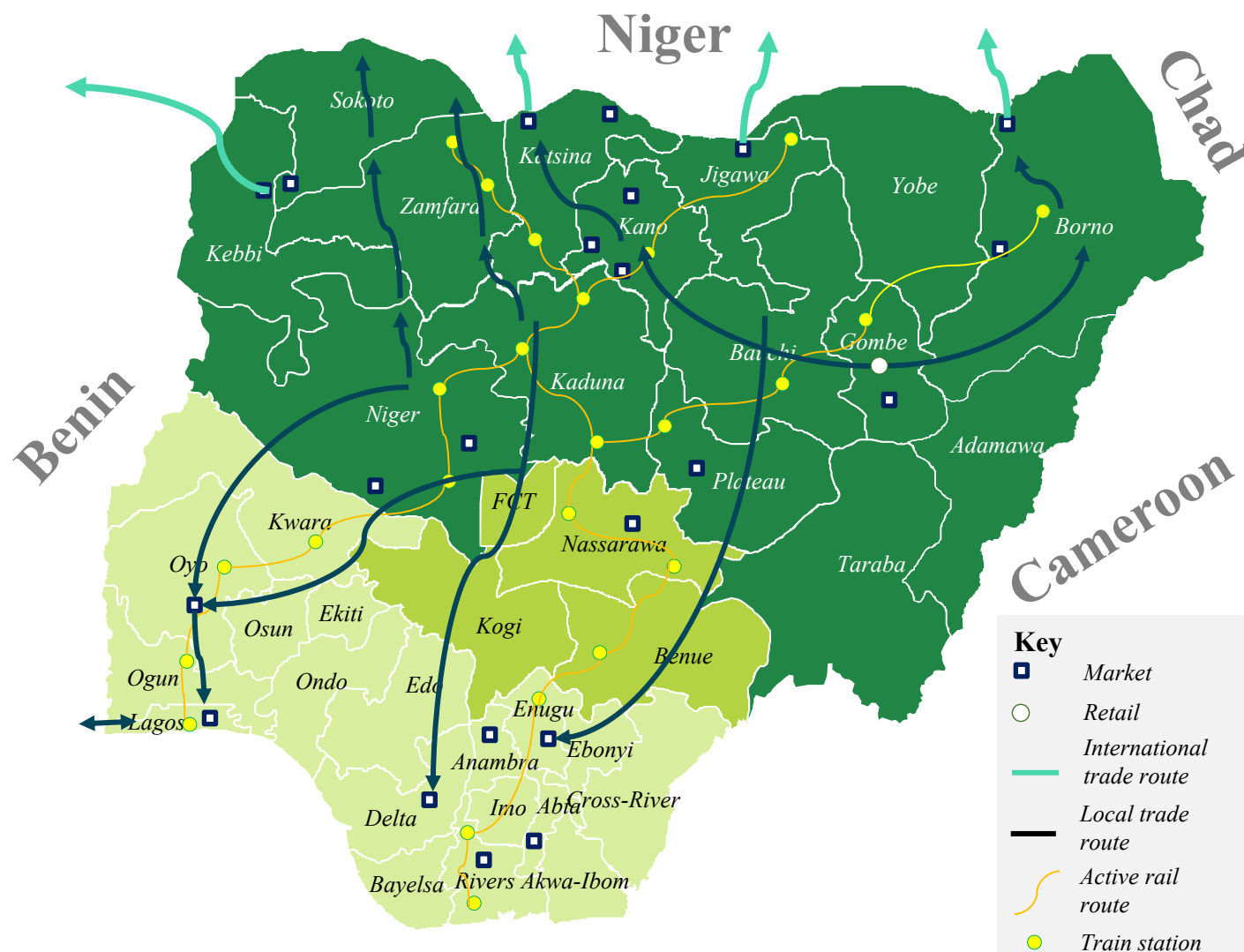
Source: National Bureau of Statistics

Rail transportation

- Between 2015 and 2017, over 151,000 tons of cargo was transported by rail across Nigeria. Of these, grains and flour constituted 4% of total cargo transported.
- Over the last 6 years, the cost of rail transportation in Nigeria has declined by 55.8%, indicating an increasingly favorable transportation environment that can be leveraged by agricultural producers to transport their products across the country.

Maize is widely-traded within Nigeria and key producing regions are within reach of existing rail networks

Route-to-market

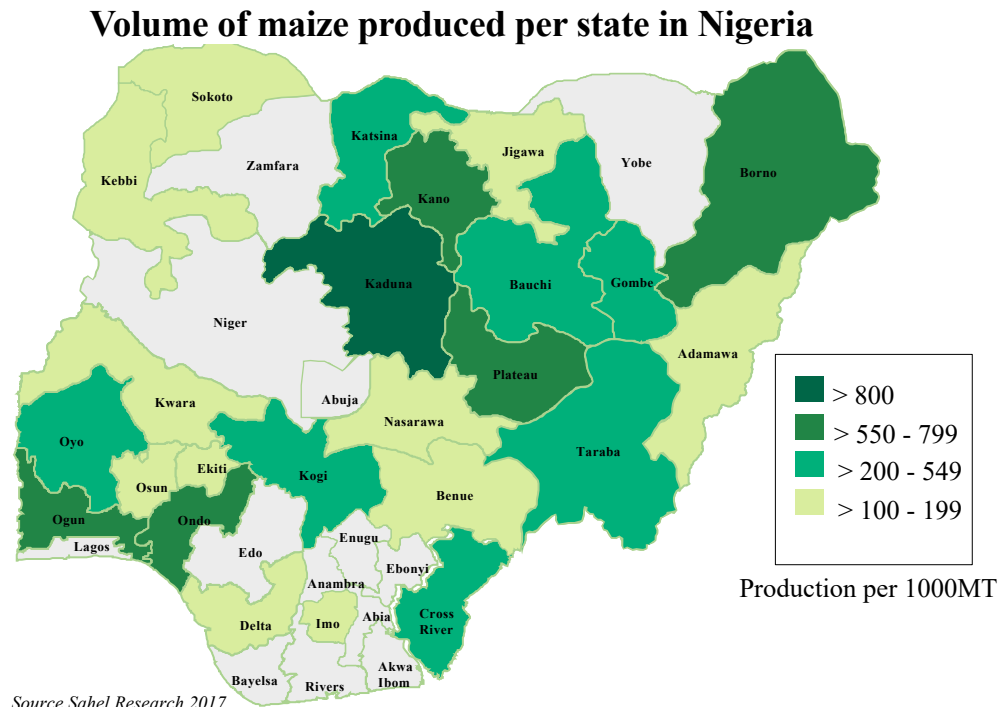


Maize Trade Flows¹

- Majority of Nigeria's maize is traded at major markets within the country and it is primarily transported by road
- Exports are primarily via the Kano-Katsina-Maradi Corridor
- The Dawanau market in Kano is the largest wholesale grain market in Africa and grains from neighboring countries are also traded here.

Key

- Market
- Retail
- International trade route
- Local trade route
- Active rail route
- Train station



Maize is produced in the north and south western regions in Nigeria, with differing production seasons and farming practices.

- The largest volumes of maize are produced in the Northern region; Kaduna, Borno, Niger, Taraba and in the South Western states, in Ogun, Ondo and Oyo.²
- Grain merchants store maize during the period of high availability and sell to food processors and feed mill operators at higher prices during off-peak season.²

Source:¹OECD-FAO Agricultural Outlook 2019-2028, ²Sahel Research 2017

Planting

Growing

Harvesting

	Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec
North 1 st Season												
North 2 nd Season												
South												

Source Sahel Research 2017



06.

Applicable incentives and key regulatory agencies

Applicable taxes and incentives

The government has put into place various tax incentives to encourage businesses in the Nigerian agricultural landscape

Tax type	Company Income Tax (CIT) (30%)	Value Added Tax (VAT) (5%)	Import and Export Duties (5% - 35%)	Capital Gains Tax (CGT) (10%)
Brief description	Levied on profits of companies accruing in, derived from or received in Nigeria.	- Consumption tax paid when goods are purchased and services rendered. - Proposed amendment to increase VAT rate to 7.5% by 2020.	Payable on goods imported into or exported from Nigeria.	Payable on capital gains accruing to companies or individuals making a chargeable disposal of asset.
Sector specific incentives	- Pioneer status applicable 95% capital allowance in year qualifying expenditure is incurred - Indefinite carrying forward of unutilised capital allowance - Exemption from payment of minimum tax.	Exemption on implements purchased for agricultural purposes, locally produced veterinary medicine, agricultural and farming machinery and transportation equipment.	Tariff based incentives on Agro-allied, agro-processing and agricultural commodities and 0% import duty on agriculture equipment and machinery.	Rollover relief: Deferment of payment of capital gains tax when disposal proceeds are used for the purchase of land and agricultural machinery of the same class within 12 months of disposal of the old asset.

Other non-tax related incentives

Agricultural Credit Guarantee Scheme Fund: Provides guarantees of up to 75% for loans granted by banks for some agricultural purposes.

Source: Compendium of Investment Incentives in Nigeria

Sector regulatory environment

Several regulatory agencies have been established with the aim of promoting the growth of the Nigerian Agricultural sector

Key Regulatory Agencies				
National Agency for Food and Drug Administration and Control (NAFDAC)  Established in 1993 with the mandate to regulate and control quality standards of foods, drugs, and chemicals imported or locally manufactured and distributed in Nigeria. Read more at https://www.nafdac.gov.ng/	The Standards Organisation of Nigeria (SON)  A statutory body with a mandate to monitor product quality and to produce and periodically review standards relating to products, measurements and material processes. Read more at: https://son.gov.ng/	Federal Ministry of Agriculture and Rural Development (FMARD)  A Ministry of the Nigerian government that regulates agricultural research, agriculture and natural resources, forestry and veterinary research all over Nigeria. Read more at: https://fmard.gov.ng/	National Agricultural Seed Council (NASC)  Established in 2007, NASC is charged with the overall development and regulation of the national seed industry. Read more at: https://seedcouncil.gov.ng/	The National Fertilizer Technical Committee (NFTC) The National Fertilizer Technical Committee Established in 1983 by the Federal Ministry of Agriculture and Water Resources (FMAWR) as an internal mechanism to regulate fertiliser standards in Nigeria.

Source: KPMG Research

07.
Call to action

Services to UK Investors

The UK government provides multiple strands of support for UK companies looking to invest in these countries and the broader Africa region.

This includes, but is not limited to:-

- Advice & guidance on market entry, including introductions to country government officials, advice on consultants, any joint venture partners, information on legislative and political risk issues, including managing corruption.
- Financing (debt & equity) including long term patient capital from UK's Development Finance entity – CDC and other development finance institutions
- Overseas Investment Insurance
- Training & linkage development with local input suppliers
- A new UKAid programme, FDI Africa, that will offer transaction facilitation services in due course including for Nigerian investments.

For further information on the full suite of UK support available to your firm please contact:

Department for International Development GrowthGateway@dfid.gov.uk

The DIT Africa Trade Services Unit (TSU) - DIT.Africa@fco.gov.uk

Specific UK officials in Nigeria:

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