2016 was a particularly significant year for Propcom Mai-karfi (PM). It was the project’s penultimate year and the team worked very hard to change unfavourable market systems and bridge supply chain gaps in rural northern Nigeria. This year we worked in more market interventions, attempted to reach a greater number of women through targeted interventions, saw our fertiliser activities move into the high-risk north eastern region, explored the adoption of a more climate-smart approach to all of our markets, and established ‘climate smart-specific’ interventions.

In 2016, our key interventions revolved around agricultural inputs, agricultural mechanisation, grains storage, and gender and climate specific markets, and livestock. Our key results to date are summarised to the right, and our main activities are below:

Our partners leveraged on rural smallholder markets and earned additional revenue by selling inputs to smallholder farmers

Access to quality and affordable fertilisers, seeds and crop protection products (CPPs) remain a challenge for smallholder farmers in northern Nigeria. Quality inputs come in large pack sizes which smallholder farmers cannot afford and which are largely available distances away from the farmers in urban and peri-urban centres. In 2016, we partnered with 26 input production companies and retail businesses to improve product access and farmer education.

Businesses sold 4,805MT (4,805,000 kg) of fertilisers through our facilitation: We scaled up and deepened our ‘last mile’ fertiliser strategy by working with 13 private fertiliser distribution partners and 350 rural promoters in 17 northern states. The rural promoters were trained on good agricultural practices which they incorporated in their sales strategies. PM also brokered an arrangement with Golden Fertiliser to supply NPK blends in 25kg bags at a discounted price to farmers. In 2016, an additional 43,000 farmers accessed affordable fertilisers in smaller packs of 25kg and less. We additionally

Results to date

NGN5.4billion (£17.4million) in aggregate net additional income for 480,981 poor farmers and small-scale rural entrepreneurs as a result of our activities.

33 businesses have bought more from or invested more in selling to poor women and men in northern Nigeria, due to a change in practice ascribed to PM.

143,000 poor women farmers and small-scale entrepreneurs have accessed new inputs, knowledge, services, and technology as a result of programme activities.

17 interventions which contribute to the improved resilience of poor farmers and small-scale rural entrepreneurs.
played a significant role with the review and passing of the Fertiliser Regulatory Bill, a key result of which was the referral of the Growth Enhancement Support (GES) scheme bill which has been retracted for further review.

Our CPP partner earned NGN11.8 million in revenue as a result of our partnership: We continued our partnership with Syngenta through to July 2016. During activities in 2016, a total of 203 demo events were held in Kano and Katsina states to train 13,612 rural smallholder farmers on good agricultural practices. 4,880 units of Syngenta’s products were sold, ensuring additional revenue for Syngenta and income for its retailers.

PM supported Saro Agrochemicals to get their CPPs on the northern Nigeria market: Saro has had limited experience with marketing their products in a dispersed and high risk market as that of northern Nigeria. We partnered with them to provide market insights and help with the design and implementation of a sales strategy which involves retailer training, loyalty rewards, and farmer education. In the pilot programme, Saro sold 35,125 units of its products in three states (Kano, Plateau and Kebbi).

Launch of a revamped crop protection products strategy: A key challenge with the use of CPPs in Nigeria is improper handling and application, negatively impacting the health and incomes of farmers, as well as the environment. In November 2016, PM signed an agreement with Crop Life Africa Middle East to (i) establish a network of spray service providers (SSPs) who will be trained to provide spraying services to farmers, and (ii) to create linkages between agro dealers and SSPs. Resulting from this partnership, we are also working with other agro chemical companies; Harvestfield, Swissbiostadt, Saro, Candel, Miagro and Dymota Agro to achieve these goals. The Crop Life partnership aims to train 165 farmers who will become SSPs and provide spraying services in and around their communities in three states.

We intervened in soybean production with VSO: We partnered with Voluntary Service Overseas (VSO) to improve the productivity and incomes of soybean farmers through access to better inputs and to commercial buyers/processor. Through a tripartite agreement between PM, VSO and Flour Mills of Nigeria Limited (FMNL), PM and VSO are facilitating farmers’ access to trainings on good agricultural practices (GAP) via trained field officers and their access to quality inputs via Premier Seeds and Syngenta. FMNL’s role in the partnership is to buy farmers’ grains. Under the programme, our tractor partner - Tractor Owners and Hiring Facilities Association of Nigeria (TOHFAN) - is also providing threshing services in the target local government areas. In a pilot programme in Niger state, 10 lead farmers established demonstration plots and managed mass field day activities. By the end of December 2016, farmers had commenced harvesting and threshing. FMNL will aggregate and purchase afterwards.

Farmers continued to store, sell and swap their grains through our partner, AFEX: PM’s partnership with Africa Exchange Holding (AFEX) allows smallholder farmers to store their grains in one of AFEX’s warehouses and get a receipt which they can use as collateral to access micro credit from finance institutions. Farmers are also able to properly preserve their grains for an extended length of time.
until market prices are favourable. Farmers have the option of swapping their grains for the equivalent value in fertilisers, and are able to access loans in the form of fertilisers. Additionally, they can sell their grains to multilaterals like Nestle through AFEX who acts as a middle man in these sales transactions.

“In the past I could only afford to buy 2 - 3 bags of fertiliser, and sometimes when I open it I find that what I have bought is wet, does not dissolve well or has stones and impurities in it.”—Dije Sani—Female farmer in Kaduna state.

Dije also stored 5 bags of grains at AFEX’s warehouse. At the time of storage the market price of per bag of maize was N5,000. When she sold through AFEX months later she sold at N9,0000 /bag.

Propcom Mai-karfi has facilitated a partnership between AFEX and NIRSAL. The partnership will provide interest draw backs of up to 40% on warehouse receipt loans and loans for fertiliser. In 2016, the warehouse programme was expanded to seven states from two in 2015, and sensitised and registered 50,000 smallholder farmers. Thus far, 15,469 smallholder farmers have recorded NGN290 million in net additional income as a result of the programme with AFEX.

**Our women’s economic empower interventions**

In addition to our strategy to include more women and small-scale rural entrepreneurs into all our programmes, we continued to implement a number of interventions which specifically target women.

**Rice parboilers had better access to markets:** Small-scale rice parboilers are faced with challenges which impede their ability to maximise the benefits of their business. Some of these challenges include: lack of finance to scale up, socio-cultural norms which restrict their exposure and therefore limit access to markets, as well as poor negotiation capacity for their goods. Our rice parboiling intervention addresses these constraints. We linked women rice parboiling groups to rice traders, and this has evolved into a two-way relationship where the traders are showing the parboilers what the market quality preferences are so that the traders are getting better parboiled rice and the parboilers are getting premium prices for their improved rice. Thus far, the women have sold 3,790 metric tons of rice to rice trading partners who paid them a total of N13 million. PM also encouraged the women to provide processing services to farmers and traders for a fee, and they have within the year processed 4,350 metric tons of paddy rice for clients for a total revenue of NGN735 million.

We signed an agreement with the Development Exchange Centre to facilitate micro credits for 3,000 women worth a total of NGN90 million. This finance will enable the women’s groups to expand their parboiling businesses.

**Acha women producers were given access to mechanised processing service:** Acha (Fonio) is a nutritious cereal crop which is predominantly grown by women and is difficult to process. The acha grain is tiny and requires a lot of drudgery to dehusk and clean. PM partnered with a private sector company, Pye Ryat International Foods which fabricates semi-mechanised processing machines for agricultural products, to fabricate and deploy two machines for acha processing. The machines were deployed to two communities in Plateau and Bauchi states and are suitable for dehusking, destoning and winnowing acha, and are being used to provide processing services to producers for a fee. The machine is able to perform a task in 40 minutes that would have taken a woman days to manually complete. The women are also able to sell any surplus acha to Pye Ryat who in addition to fabricating machines, refines and packages acha into different forms for different purposes, and retails them in major cities across Nigeria.

““The machine takes about 40 minutes to de-hull, de-stone and winnow the same quantity that took me 4 days. I also saw all the chaff (husk and debris) being removed all at once, in the past I will have to winnow and de-stone over and over again to take it all out and even then it’s not as clean. This service has brought me much ease. I used to have body pain and wounds on my hands doing it myself, but now I don’t anymore……””, - Change Mann

Since the partnership, acha traders are increasing demand for unprocessed acha as they can process it quickly themselves. There have also been indications that producers who had stopped producing acha because of its drudgery were now going back to it. Pye Ryat has also increased its processing capacity
by 70% since the partnership commenced.

More shea nut pickers were targeted: Shea nut picking and processing is a women-dominated sub sector. However, the more than 500,000 rural women in northern Nigeria who earn a living from picking shea nuts are cut off from a fair share of the profits from their nuts. Traders purchase processed shea kernels from them at meagre sums and export these to neighboring countries for much more. In 2016, Propcom Mai-karfi facilitated an agreement between Karite Oil Nigeria Ltd. and Dutch African Trading Company (DATC) for the supply of shea butter to DATC. This agreement would allow Karite to source for quality shea nuts from women within Nigeria at premium prices for processing and onward sale to DATC. In a trial contract, Karite supplied 80 metric tons of quality shea butter to DATC, resulting in a bigger contract for the company valued at 2.6 million GBP for the supply of 2,400 metric tons of shea butter. Karite in addition signed a contract with Turkish company, ERISLER, for the supply of 2,000MT of shea cake valued at 112,551 GBP.

In 2016, PM and Karite built the capacities of 3,000 women producers on proper shea nut processing and handling. This training will guarantee the best quality kernels for Karite. The company is now exploring financing options to help it to meet the demand and quality requirements of its new partners.

WACOT and sesame contract farming: Following WACOT and FMARD’s pilot joint sesame seed multiplication programme which we supported, WACOT saw other opportunities for the company in commercialising the outgrower scheme for its sesame needs. WACOT is now rolling out a commercial outgrower scheme where it gives farmers inputs (seeds, fertiliser and CPP) and trains them on good agricultural practices. This guarantees WACOT access to quality and quantity sesame grains for buyback after harvest. The scheme is currently underway in Jigawa and Katsina states, and the Jigawa state government is in discussions with WACOT to expand the outgrower model and support more sesame farmers in the state.

3,348 smallholder female farmers accessed inputs or off-take markets through their CBOs: Propcom Mai-karfi is growing the capacities of community-based organisations (CBOs) to become umbrellas for aggregating member’s goods and services, and to transact as one entity on behalf of its members. The CBOs predominantly comprise of women farmers who are otherwise difficult to access with goods and services or to access premium markets for their own produce. In 2016, PM continued to partner with Quintessential Business Women’s Association (QBWA) and Fantsuam Foundation to build their capacities on aggregation and commodity trading, and to link them to sources of micro finance.

QBWA and Fantsuam members in Niger, Kwarai, and Kaduna states sold 156MT of shea nuts to Ladgroup International, and 173MT of maize and 75MT of soybeans to AFEX Nigeria as a result of our linkages. Working as an entity, Fantsuam members were also able to access 60MT of NPK fertiliser directly from Golden Fertiliser.

PM also supported QBWA with a returnable revolving fund of NGN9 million to allow the organisation to transact and grow its business. PM also brokered a partnership between QBWA and Nigerian Import Bank (NEXIM) for a warehouse re-financing loan for ginger. AFEX Nigeria will pre-finance the stocking of ginger worth NGN4 million and provide QBWA with warehouse receipts which it will use as collateral to access a loan sum of NGN8 million from NEXIM.