



Review

# A review of the Nigerian agricultural promotion policy (2016-2020): Implications for entrepreneurship in the agribusiness sector

Received 10 January, 2019

Revised 20 February, 2019

Accepted 23 February, 2019

Published 13 April, 2019

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Several agricultural policies have been enacted and implemented over the decades in Nigeria, but the agricultural sector is yet to maximize its potential and bring about the desired development to the nation. The current policy known as the Agricultural Promotion Policy (APP) is expected to unlock the sectors potentials, reduce dependence on crude oil export and ignite the growth of the Nigerian economy. This study reviewed the APP on its implications for entrepreneurship in the sector. Entrepreneurship is viewed by many as a vehicle for growth of any economy and policies have the capacity to drive or hinder entrepreneurship in any sector. The review of the APP shows that the policy recognizes inherent constraints which have a bearing on entrepreneurship in the sector and goes to great lengths to provide clear policies on how to tackle each of them. The policy prioritizes partnership with the private sector and liberalization of the agricultural input and output markets, is gender and age-sensitive, and recognizes the need for infrastructural development especially in rural areas to create an enabling environment for entrepreneurial opportunities amongst other issues. It was concluded that the policy if properly implemented will promote entrepreneurship in the sector.

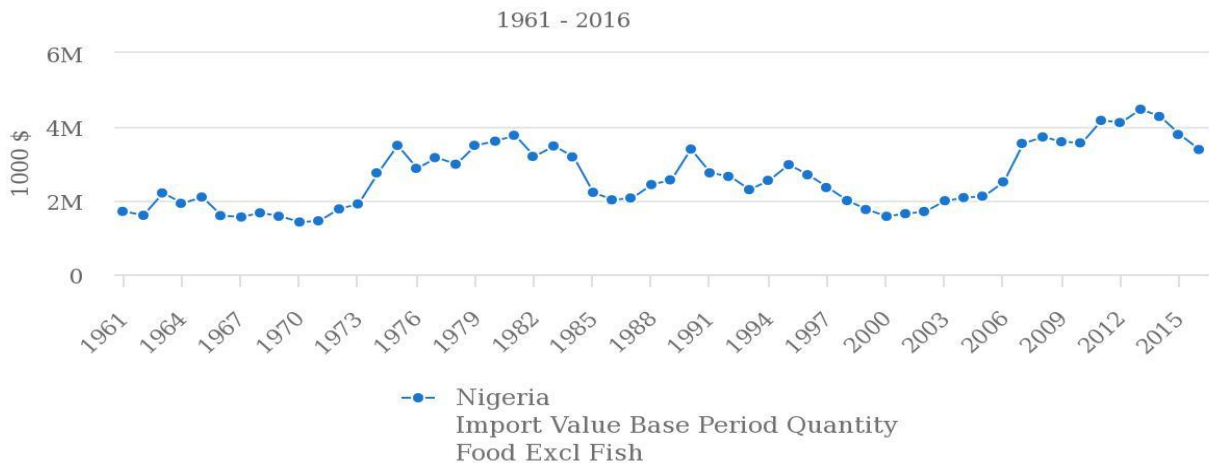
**Key words:** Policy, entrepreneurship, productivity, agribusiness, value chain.

## INTRODUCTION

Agriculture was the backbone of the Nigerian economy in the nineteen sixties and the nation was self-sufficient in the production of numerous crops and livestock. Things however changed with the oil boom of the late nineteen seventies. Nigeria became almost a mono-economy with its over-dependence on crude oil exportation and the total neglect of other sectors, especially the agricultural sector. The discovery of oil and a lot of other factors contributed to turning Nigeria from a country once self-sufficient in the production of its food to a net food importer spending billions of dollars annually on food imports. Several agricultural policies have been developed over the years and the list of these past policies by Adebayo (2010) and

Iwuchukwu and Igbokwe (2012) include the following; National Accelerated Food Production Program (NAFPP) of 1972, Agricultural Development Projects (ADP) of 1974, Operation Feed the Nation (OFN) of 1976, the Green Revolution (GR) of 1980, Better Life Programme (BLP) of 1987, National Fadama Development Project (NFDP) of 1990, Family Support Programme (FSP)/ Family Economic Advancement Programme (FEAP) of 1996, National Economic Empowerment and Development Strategy (NEEDS) of 1999; National Special Program for Food Security (NSPFS) of 2002; and Root And Tuber Expansion Programme (RTEP) of 2003. However, efforts to revive the

## Import Value Base Period Quantity - Food Excl Fish + (Total)



**Figure 1:** Nigeria Food Import Value (Excl fish) from 1961 – 2015. Source: FAOSTAT (2016).

agricultural sector of Nigeria to boost the economy through these policies have repeatedly failed over the years resulting in a sector with the majority of the smallholder farmers trapped in poverty and a nation suffering from chronic food deficit and increasingly dependent on food importation (Figure 1).

The government of Nigeria embarked on a new journey of reforming the agricultural sector of Nigeria in 2010 with the implementation of a strategy officially known as the Agricultural Transformation Agenda (ATA) which was based on the principle of viewing agriculture as a business. The ATA remains one of the biggest efforts made by the government of Nigeria and was used as a repositioning strategy to drive the economy through agriculture. Industrializing the sector to become more efficient, competitive and productive was the main goals of ATA and the intention was to achieve this through a partnership between the government and the private sector. The ATA as a strategy was used to reintroduce Nigeria to sustainable agriculture with a business-like attitude led by the private sector. The ATA had a target of creating 3.5 million jobs by 2015, expanding value addition locally and reducing dependence on food imports. The ATA recorded success in a lot of areas especially in input supply but however failed to meet the desired targets on infrastructure, production, market access, input and financing, and Nigeria still spends billions importing food.

A new policy, the Agricultural Promotion Policy (APP) was developed in 2016 building on success and lessons from the ATA and has the following four priorities; food security, import substitution, job creation, and economic diversification. However, diversification and transformation of the economy of Nigeria can only be actualized by initiating a business environment right from the farm to the other stages of the value chain. Agriculture

and agribusiness provide a great opportunity to turn things around for the country because of their dynamic nature which offers a myriad of opportunities for entrepreneurship at different stages of any food value chain. To take advantage of these opportunities, there are roles to be played by both the private sector and the government. The government has the role of creating an enabling entrepreneurial environment with its policies to ensure growth in private enterprises in the agribusiness sector. According to Montpellier panel (2014), pro-active policies are needed to bring about entrepreneurship in small-farm agriculture. Once the policies are in place, the onus lies with the value chain actors to develop a vibrant agribusiness system that is not only efficient but sustainable in the long run. The study, therefore, sought to assess how the APP policy is geared towards promoting entrepreneurship in the sector.

### Problem Statement

Two major problems highlighted by the Federal Ministry of Agriculture and Rural Development (FMARD) in the APP are the inability of the country to meet its domestic requirement for food and the failure to meet the quality requirement for success in international markets. Both problems are a result of an inefficient system riddled with issues that limit the sector's productivity starting from the input sector down to the processing/manufacturing and marketing sector of the Nigerian agribusiness system. Each sector of the agribusiness system has constraints which if not handled will continue to weaken the potentials of the Nigerian agricultural sector. These constraints include; multiple taxation and levies, inadequate access to market information and lack of strong patent law (Onugu, 2005; Ihugba et al., 2013; Nwibo and Okorie, 2013); Inconsistent

government policies (Ndubuisi, 2004; Igbokwuwe et al., 2015; Adekoya, 2016); bad business environment (Amitabh 2009; Diyoke 2014); poor knowledge and expertise in rudimentary technology and science (Onugu 2005; Pawa 2013); unskilled labor force and management (Nwigbo and Okorie, 2013; Koning et al., 2013; Schaffnit-Chatterjee, 2014) and restrictive traditions and culture (Ndubuisi, 2004). The APP policy building on the success and failures of the ATA policy aims at unlocking the full potential of the Nigerian agricultural sector and using the sector as a vehicle of growth for the Nigerian economy. Ojong and Anam (2018) noted that the APP as a strategy focuses on raising overall productivity and quality standards of food production in Nigeria. This, however, cannot be achieved if the policy does not promote entrepreneurship in the sector nor inspire the value chain participants to develop an entrepreneurial mindset that sees agriculture as a business.

### Overview of the Agricultural Promotion Policy

The APP policy document served as the source of data for this study. Other publication of the FMARD and the ATA policy document also served as secondary data for the study. A content analysis of the policy document was carried out in 2018 to analyze how the APP intends to tackle the constraints inherent in the Nigerian agribusiness value chains and the implications for entrepreneurship in the sector.

The APP developed in 2016 was built on eleven guiding principles carried over from the ATA policy. The guiding principles reflect a strong desire for policy stability but have new elements added to reflect the lessons learned from the ATA. These guiding principles are:

- Seeing agriculture as a business that should be led by the private sector in partnership with the government
- Viewing agriculture as a key to the growth and security of the economy in the long run.
- Ensuring the government carries out its social responsibility with respect to food security
- Promoting enterprise development throughout the value chain stages.
- Prioritizing expansion of crop production for both the domestic and export markets
- Ensuring production is market-oriented
- Ensuring sustainable use of natural resources (water, soil, land)
- Encouraging the participation of all stakeholders
- Ensuring accountability and due process to uphold the integrity of the policy
- Addressing issues of nutrition especially for the vulnerable groups
- Promoting linkages within the sector and between the sector and other sectors.

In making sure these guiding principles are upheld, the APP identified matrices of constraints limiting the productivity of the sector and proposed policy

interventions that can be used to manage and reduce these constraints. It was acknowledged by the Ministry of Agriculture that moving the Nigerian agricultural sector closer to unlocking its full economic potential, constraints must be identified, mapped and prioritized. Fatokun (2015) believes that the Nigerian agricultural sector has the potential to trigger the development of the manufacturing sector through the provision of raw materials, reduce the unemployment rate, reduce rural-urban migration and bring about infrastructural development in neglected rural areas. The APP broadly grouped the intervening strategies into 3 organizing themes; productivity enhancements; crowding in private funding and institutional realignment. Each of the policy matrix themes is further broken down into levers. The levers all have identified constraints they intend to address, intended policy reforms and enabling programs. The study is designed to assess the APP framework and its implications for entrepreneurship in the sector.

### Policy Matrix 1: Productivity Enhancements

Strategies developed here are intended to promote productivity while reducing post-harvest losses and to improve access to markets. The outcomes targeted under this matrix are increase in farm productivity per base year, increase in the share of agricultural inputs used by consumer goods companies in Nigeria and increase in the share of Nigerian fresh food sold informal markets. This policy matrix has 8 policy levers (Table 1).

### Policy Matrix 2: Crowding in Private Sector Investment

The FMARD divided this policy matrix into two levers; access to finance and agribusiness investment development. The target outcomes for the policy matrix are to lower financing cost and promote the availability of finances in the sector (Table 2).

### Policy Matrix: FMARD's Institutional Realignment

The levers under this matrix intend to increase regulation of the sector by improving the ministry's capacity and that of its key partners, involve stakeholders previously omitted, initiate policy dialogue and broker the needed treaties to improve the ease of undertaking business in Nigeria's agriculture space. This policy matrix has five levers and the target outcome is an agribusiness market space that is more engaged, as measured by ease of doing business in the sector (Table 3).

### Assessing the APP Implications for Entrepreneurship in Agribusiness Value Chains

#### Access to Land

The APP recognizes the need for the federal government to

**Table I.** Productivity Enhancement

<b>Policy lever</b>	<b>Policy objective</b>	<b>Policy reforms</b>
Access to land	To attract private investments by farmers and processors irrespective of the scale of operations by ensuring conducive access to land	Assist collateralization through formal recognition of land ownership, incentivizing farmers to invest in their lands by developing land rights, reducing gender bias in land ownership, developing rental markets for land and policies that allow farmer migration to more viable areas and developing a web-based digital verification system for land ownership.
Soil fertility	To enhance and maintain the fertility of the soil and promote control of erosion causing practices.	Increase access to fertilizers and expand production of fertilizers specifically adapted to agro-ecological zones and crops.
Access to information and knowledge	To enhance obtainability, convenience, and timeliness of relevant information and knowledge required by the various stakeholders	Develop an ICT /KM framework, streamline the messaging and dissemination of knowledge generated under FMARD programs and come up with new strategies for the delivery of extension services through a partnership with NGOs and the private sector.
Access to inputs	To ensure the appropriate access to high quality and price competitive inputs by stakeholders at the right time in a way that increases the productivity of the sector.	Push for the approval of the fertilizer act; stimulate domestic production of high-quality fertilizers; review the seed policy; promote the penetration of private agro-dealers for fertilizers and seeds in rural markets; gradually withdraw from the subsidy system.
Production management	To promote sustainable use of water resources; reduce incidences of pest and disease in the sector, promote safe and effective use of agro-chemicals; promote the availability of relevant equipment for farmers and processors.	Use tax concessions in importation of irrigation equipment to stimulate private sector involvement in the provision of irrigation services; review the Water Bill Act and push for it to be passed by the Senate; promote leasing as an option to financing of irrigation equipment; promote the safe use of agrochemicals and fertilizers; and stimulate local production of equipment and targeted imports; promote the use of bank funded leasing as an optional means of accessing agricultural equipment;
Storage	To enhance the availability of small medium and large storage facilities and promote safe and effective storage.	Enforcement of standards in terms of minimum moisture content on stored products, and safe use of pesticides and chemicals and alternative options to pesticides.
Processing	To increase the quantity and quality of food processing in Nigeria	Drive the provision of infrastructures in high agricultural production areas, partner with states and MDAs on water access and power supply, review policies on food quality and enforce quality standards and food safety
Marketing and trade	To enhance access to domestic and international markets by agricultural producers.	Improve infrastructure especially in rural area, privatize the Abuja Commodity Exchange and liberalize the market to allow for competition by private players through setting up a licensing regime in partnership with and supervision from the Securities Exchange Commission. Partner with the Ministry of Health to finalize and submit the Food Safety Bill in part.

Source: APP policy document (FMARD 2017).

**Table 2.** Crowding in Private Sector Investment

<b>Policy Lever</b>	<b>Policy objective</b>	<b>Policy reforms</b>
Access to finance	To enhance credit availability at reasonable conditions for farmers and agribusinesses	Legalize and enable alternative mechanisms of financing the sector; incentivize both commercial and microfinance banks target rural farmers inclusive of women and youth with appropriate financial products; improve the inclusiveness of the sector in a way that enables small-holder access to finances, technology and other inputs; reform the agricultural insurance sector through the development of new products, promoting private players participation and eliminating the monopoly of the Nigerian Agricultural Insurance company (NAIC) on government insurance contract.
Agribusiness investment development	To promote the growth of the agribusiness sector in a way that drives an increase in productivity, growth and job creation in Nigeria.	Restructure the management of the commodity Marketing Corporations, intensify private sector partnership, establish a committee on Private Investment Monitoring, engage in dialogue with partners such as Nigeria Agribusiness Group (NABG) and GROW AFRICA and explore domestication of Principles of Responsible Investments from the World Food Security Committee

**Table 3.** FMARD's Institutional Realignment

Policy lever	Policy objectives	Policy reforms
Institutional Setting and Roles	Enable all stakeholders; FMARD, the private sector, agribusiness investors, states, LGAs, and development partners fulfill their roles optimally and in partnership with each other.	Improve states' accountability for growth in agribusiness; remove rural barriers through direct engagement with the Association of Local Government of Nigeria (ALGON) to drive the competitiveness of the sector.
Youth and women	Foster full inclusion of youth and women in the agricultural sector.	Review the policy document on gender and shift key behaviors at the institutional level through implementation of related activities; Promote a merit-based entrepreneurial ecosystem designed to enable migration of women and youth into service provision roles; Reduce drift to urban areas through the transformation of rural areas.
Infrastructure	Provide rural infrastructure by ensuring that all stakeholders play their individual roles.	Expand the pool of rural infrastructure through the provision of incentives to private players and state governments; Promote economic activities in the rural areas; Create an enabling environment to attract investments; Streamline conflicting policies and synergies; Encourage competitiveness at state and local government level by publishing data on production and cost structure.
Research and Innovation	Strengthen research and innovation on urgent and important areas and broadcast outputs.	Enhance efficiency and effectiveness of the agricultural research system; restructure the Agricultural Research Council of Nigeria (ARCN) and strengthen the agency's delivery of its mandate
Food Security	Improve national and household food and nutrition security by guaranteeing adequate availability of safe and nutritious food at affordable prices for the citizens	Promote sustainable agricultural production and fresh and safe food systems; set standards for nutrition to control increasing cases of diabetes and obesity; promote management of the grain reserve silos by private players.

urgently reform the land use act in partnership with state governments. Access to land is a constraint that cuts across states in Nigeria and simplifying the process of land acquisition and title ownership will act as an incentive for entrepreneurs to venture into farming and processing. This policy reform aims at solving a fundamental problem in the sector which is the use of land as collateral for loans by processors and farmers. The development of a digital verification system for land titles will reduce fraud associated with buying and selling of land in many places and land grabbing while the development of a rental market for land as a strategy will not only allow ease of expansion by farmers but will also attract young people into commercial farming or processing. The suggested policy reforms are all in line with World Bank (2013) suggested strategies on land and tenure security. Overall, all these will promote entrepreneurship in the sector either through expansion by players already in the sector or by attracting new entrants into farming and processing.

### Soil fertility

Low productivity is identified by the APP as a major constraint to food insecurity in the country. This policy thrust aims to improve productivity by maintaining and enhancing soil fertility through mapping and testing of the soil, fertilizer quality control, reconstruction of soil fertility and the use of control measures for erosion. The idea of soil

mapping and use of targeted fertilizer formulation is aimed at controlling the ineffective use of fertilizer and the damaging resultant consequences. If the policy is implemented well, especially on increasing farmer's access to fertilizer, farmer's awareness on effective use of fertilizer and targeted soil specific fertilizer use, productivity will improve optimally thereby increasing food availability in the nation. Increase in farm productivity will lead to an increase in demand for storage, processing, marketing, and trade, all of which open up avenues for entrepreneurship along the value chain.

### Access to information and knowledge

The APP policy recognizes the need for information availability and accessibility in the sector and it can be argued that the intended policy objectives, reforms and enabling programs are targeted at enabling the ease of information flow in the sector. In the world of today, the need for information cannot be undermined. According to FAO (2011), information services provided in real-time are required for production that is market-oriented. Oshionya (2008) stated that lack of real-time information in the sector has led to many entrepreneurs relying on intuition and hope rather than on research outputs on market needs. The development of an agricultural information system that will be coordinated by the FMARD and with supporting infrastructures will not only improve information

dissemination and asymmetry in the sector. It will also go a long way in improving access to timely information on input and output markets and products by processors and farmers for decision making on expanding production or engaging in new enterprises.

### **Access to inputs**

The APP recognizes that low productivity and relatively low income in the sector is in part caused by unavailability and lack of access to inputs such as fertilizers, seeds, machinery, finances, and others. This policy lever addresses fertilizer production and distribution, seed multiplication and distribution, research, quality and standards, and measures to ensure shortfalls are minimized. The APP recognizes that maintaining standards and quality are important in the production of seeds and fertilizer and recognizes the need for targeting research on relevant crops. It also recognizes the need for more private players in the input production and distribution process. The outlined policy reforms under this lever are in line with suggested strategies by World Bank (2013) which includes liberalizing the market to allow for more private players participation and financing the sector. Schaffnit-Chattergee (2014) stated that the potential for private players in the agribusiness input sector is hugely untapped. Liberalizing the sector for private player participation presents an entrepreneurial opportunity for many to become input dealers in the sector. Also, the expected outcome of increased access to inputs will attract improve the productivity of the sector with the capability of triggering an increase in demand for storage and processing all of which provides entrepreneurial opportunities in the sector and impact on food security.

### **Production Management**

The App recognizes the need to improve productivity and adequate water supply is needed to achieve this. It considers the fact that farming in Nigeria is predominantly rain-fed as many small-medium scale farmers do not have access to irrigation, therefore, have insufficient water for a full year's production. It also looks at the loss of yield and income due to high incidences of pest and diseases. Over-dependence on rain-fed agriculture limits productivity and yield and contributes to issues of food scarcity at some months of the year since production is seasonal. The policy reforms and programs here aim at not just improving water supply but doing so in a manner that is sustainable. It looked at ways to make access to irrigation equipment cheaper for people and stimulate local production of said equipment. This, of course, provides an entrepreneurial opportunity for people with the knowledge to come up with irrigation equipment manufacturing enterprises. The expected outcome from the policy lever is reduced dependency on rain and increased the productivity of food. This has the capacity of impacting on food security of the nation.

### **Storage**

This lever is targeted at the poor storage of food by small-medium scale farmers and processors leading to low incomes. The problem of poor storage facilities and in most cases lack of storage facilities is the reason for the paradox Nigeria exist in. Being the biggest producer of a lot of commodities like cassava, yam, and tomato in the region and at the same time, the biggest importers of products such as ethanol, starch, and tomato paste made from these commodities is a direct effect of the lack of good storage system throughout the country. The APP recognizes this, and programs and reforms are aimed at not only improving access to storage facilities but also improving the quality of stored products. Adequate Storage is needed if more value chain players are to become entrepreneurial in the sector.

### **Processing**

This lever looks at the insufficient link between agriculture and industry resulting in minimal value addition and little contribution to growth and jobs. Processing presents similar issues with storage in the country. The lack of adequate processing facilities and access to processing technologies means that processing is mostly primary and limited to dry food products for a lot of commodities as opposed to secondary products. The APP recognizes the infrastructural problem and its effects on processing in the country. It also recognizes the quality issues and the role of culture on people's attitude to modern processing technologies. The proposed policy reform to drive the provision of infrastructure in high agricultural areas will attract investment in the sector and promote entrepreneurship.

### **Marketing and trade**

The APP propose to privatize the Abuja Exchange Board and liberalize the market in partnership with the Security Exchange Commission to stimulate the participation of the private sector in agricultural marketing and trade. According to Shahidur (2015), popular claims on the benefits of agricultural commodity exchange includes higher export earnings from agriculture, lower transaction costs, market linkage for smallholders and price discovery. However, available information indicates that most African countries have failed to successfully develop private sector-led exchanges except for South Africa. If Nigeria, however, succeeds in doing that with the APP, privatizing the agricultural commodity exchange will open business opportunities for many in the agricultural trade sector. It also has the capacity to trigger a ripple effect on the value chains as demand for the commodities in raw or processed form rises and more people are attracted to partake in the value chains. The APP also recognizes that to improve marketing and trade, the problem of infrastructure must be taken care of. Poor infrastructure is an impediment to trade

and marketing in many ways such as high transportation costs, poor marketing information, and knowledge. Facilitating access to information on market prices will enable quicker and informed decision making on which local and export markets to target by farmers and processors.

### **Access to finance**

The APP thrust on financing recognizes the need for multiple sources of finance for the sector as a first step to solving the problem of financing the sector. The emergence of multiple sources of finance makes achieving other aims such as making loans affordable, increasing access points and improving the lending capacity of institutions possible. Alternative financing strategies such as leasing of equipment will minimize the constraint of lack of access to farming and processing machinery which calls for huge capital outlays which most small to medium-scale farmers and processors cannot afford. The APP recognizes the need to boost insurance penetration in the sector and the need for private sector participation in this area. The policy if implemented well will go a long way in promoting entrepreneurship in the sector especially by farmers who identified lack of finance as the constraint with the most severe effects on their ability to pursue entrepreneurial opportunities in the sector. Processors also will benefit from increased access to affordable loans and credits as their ability to make capital investments in processing technologies will increase immensely and they can do away with the crude and rudimentary technologies with limited output.

### **Agribusiness investment development**

The policy thrust under this lever intends to prioritize private sector investment in agro-processing in a manner that drives the growth of the sector and the economy at large. Reforms being targeted by this policy lever include the revival of staple crop processing zones and the establishment of incubation centers and agro parks. The revival of the Staple Crops Processing Zones will create ripple effect all through the value chain which will drive productivity to meet the demand for processing. Incubation centers have been proven to promote entrepreneurship (Gupta and Rathole 2015). According to Dahleez (2009), Incubation centers provide needed services and the appropriate environment to promote entrepreneurial skills and entrepreneurs develop their ideas, skills, and knowledge. The development of incubation centers and agro-parks as proposed in the policy will drive skills acquisition and knowledge dissemination as well as cushion new startups, all of which will promote entrepreneurship in the sector if done properly.

### **Institutional Setting and Roles (Federal vs. State Government vs. Local Governments)**

Improve operational effectiveness of the sector is

paramount because Local Government Areas create the environment for enterprises to grow in their communities through several ways one of which is providing safety and stability for local entrepreneurs. The APP recognizes the need to engage the Local Governments to drive growth and competitiveness of the sector. It is not enough to make policies at the federal level, without engaging the Local Government who is in direct contact with the resident farmers and processors at every level of the policy formulation and implementation, the aims of the policies might be defeated. According to the United Cities and Local Governments policy paper (2014). LGAs in many countries have been known to set up platforms to foster entrepreneurship in their communities by assisting with issues such as market surveys, licensing, business plans, training and aiding access to capital, especially for young people. Engaging the local government in the APP implementation as planned by the FMARD will ensure that the policy reforms trickle down to the farmers and processors and encourage the formation of new enterprises along the value chain.

### **Youth and women**

The issue here is how to eliminate discriminatory practices that hinder the inclusion of women and youth in the sector and to maximize their contributions to agricultural productions. According to UNIDO (2018), a large number of unemployed youths threatens the development of any nation. Nigeria being the most populous nation in Africa has a high rate of unemployment amongst the youth. Women and youth make up a big percentage of the Nigerian population and must be involved in a manner that contributes to the development of the sector. Kiranjot and Sukhjeet (2008) noted that rural women possess basic indigenous skills, potentials, and abundant resources and can efficiently take on both production and processing-oriented enterprises. However, they need awareness, motivation, training, and funding from the government to strengthen their capacities. The APP aims to shift behaviors that lead to negative outcomes for women and youth by expanding opportunities for wealth creation for them. This policy lever aims to maximize the contribution of women and youths to agriculture through policies and capacity-building programs that will equip them with skills, knowledge, and attitudes to seize entrepreneurial opportunities. Introducing enterprise competitions will promote new ideas and innovation especially by youths in the sector. The policy recognizes that the need for a competitive entrepreneurship platform will improve access to quality training and support services for entrepreneurs or new players in the sector.

### **Infrastructure**

The policy here recognizes the need to create enablers for economic take-off in rural areas through an integrated approach to rural development and systematic provision of

basic infrastructures. Nwankwo and Okeke (2017) noted that entrepreneurial orientation to rural development hinges on motivating local entrepreneurial talent and the consequent development of indigenous enterprises which will create employment and retain scarce resources within the locality. This can only be achieved through an aggressive provision of infrastructure in the rural areas and ensuring that every stakeholder plays their role in the process. However, Nigeria suffers from a serious infrastructural deficit in the rural areas irrespective of the fact that the bulk of its food and fiber comes from the rural areas (World Bank, 2015). The APP recognizes the need to create an enabling environment for investment opportunities in agro-processing and farming in rural areas. The provision of basic infrastructural amenities such as constant electricity, water supply, good roads, storage facilities, and processing technologies in rural areas will see the growth of rural entrepreneurship. Since most rural enterprises tend to be agro-based, this means that the agribusiness sector will witness a surge in the number of people engaging in new enterprise activities.

### Research and Innovation

It has already been stated that entrepreneurship in the sector is based mainly on intuition and speculation rather than research-informed knowledge. The APP recognizes the role of research on the formation of new enterprises and the commercialization of innovations and if implemented effectively will promote entrepreneurship in the sector. Partnership with the private sector, increasing capacity for information access and targeting research at key areas are all the strategies suggested under this lever. The APP also considers the issues of intellectual property rights which have been criticized for being weak and ineffective by Ihugba et al. (2013) and Nwibo and Okorie (2013). For the APP to attract private sector investment into the sector as desired, the problems of Intellectual Property rights must be tackled. According to Gee (2007), the continuous reform of intellectual property from time to time builds confidence and increases investment and trading activities. This is because stricter intellectual property laws motivate players to become innovative (Surkarmijan and Sapong, 2014). The APP also aims to bring competitiveness in agricultural research by through the use of grants. All these will increase entrepreneurship in the sector.

### Food, Consumption and Nutrition Security

One of the major objectives of APP is to increase food security level at both the household and national level in Nigeria. This lever in a way encompasses nearly all the other policy levers and addresses issues on storage, processing, cold chain processes which are severely lacking in the country, packaging, import substitution, and export promotion. All of these provide entrepreneurial opportunities for players already in the value chain and will also attract new entrants to the sector. The policy also

recognizes the critical need for safe nutritious food and aims to promote organic production and fortification through breeding.

### Conclusion

APP recognizes constraints in the agribusiness sector which has a bearing on entrepreneurship in the sector and goes to great lengths to provide clear policies on how to tackle each of the issues as stated in the policy document.

- The policy addresses issues of quality and safety all through the value chain.
- The policy, for the most part, prioritizes partnership with the private sector at nearly all the stages of the value chain.
- The policy also looked at ways of improving the productivity of the sector and aims to stimulate local production of machinery, processing technologies, and spare parts.
- APP thrust on financing recognizes the need for multiple sources of finance in the sector and the need for private sector participation in insurance services.
- APP recognizes the need to engage the Local governments to drive growth and competitiveness of the sector.
- The policy reforms under the APP are gender and age-responsive.
- The policy recognizes the need for an entrepreneurship platform which will improve access to quality training and support services for entrepreneurs or new players in the sector.
- APP recognizes the need for infrastructural development especially in rural areas to create an enabling environment for investment opportunities in agro-processing and farming in rural areas.
- APP recognizes the role of research on the formation of new enterprises and the commercialization of innovations. It also recognizes the need for stricter intellectual property rights.
- The policy recognizes and addresses the issue of information and knowledge in the sector and aims to develop a knowledge framework to strengthen the capacity of stakeholders in accessing information.
- APP also recognizes the need for competition in the sector to aid productivity and aims to periodically publish data on production and costs according to states to aid decision making by investors on where to invest.

The APP touches on all the seven pillars for agribusiness development by UNIDO as stated in Yumkella et al. (2013). The APP thrusts are all aimed at improving productivity, upgrading value chain, motivating private sector participation, improving infrastructures, improving access to finances, and promoting innovation and exploiting demand locally and internationally. It can be concluded that the policies if properly implemented will attract more investment in the sector and will open a lot of entrepreneurship opportunities for value chain players.



## Recommendations

Generally, the performance of agricultural policies in Nigeria in the past was below expectations and uneven across states with some states showing higher performance rate than others. To reverse this trend and achieve the aims of this policy, the following are recommended: Continued political commitment from the leadership; quick approval of key reforms and programs under this policy; timely deployment of funds and other resources, stronger linkages and increased coordination of efforts between the federal, state and local governments, improved transparency in privatization processes and increased accountability to stakeholders, substantial investment in training and capacity-building of staff and the development of a viable monitoring and evaluation system within the APP framework, with the intention of tracking the performance of different value chains viz-a-viz the APP performance targets. It is important to mention that other countries like Ethiopia, Kenya, Malawi, and Ghana have successfully transformed their agricultural sectors through policies in the last decade (Yumkella et al, 2013). With the proper implementation of the APP and recommendations on areas to improve, it is envisaged that the APP will go a long way in improving the agricultural sector of the country.

## Conflict of interests

The author declare that there is no conflicting interests.

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