



**Buck
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Agro-logistics in Benin and Nigeria

Buck Consultants International
Nijmegen, the Netherlands, 1 March 2016

Buck Consultants International
P.O. Box 1456
6501 BL Nijmegen
The Netherlands
Phone : +31-24-3790222
Fax : +31-24-3790120
E-mail : karel.vanroye@bciglobal.com
gerard.vos@bciglobal.com

Focus on agro-logistics as a lever for establishing food security

- Policy of Dutch government focuses on aid and trade
 - Aid: Benin is one of the priority countries of the Dutch government
 - Trade: Nigeria is one of the strongest and fastest growing markets in Africa
- Food security is a top priority throughout the world and agro-logistics is a main lever for reducing food losses
 - High logistics costs in developing countries (more than 20%)
 - Logistics losses are estimated at 30-50%
 - Costs and losses are reduced thanks to agro-logistics
- Logistics and agro-food belong to the priority development sectors of the Dutch government
- Dutch private and public stakeholders have expressed an interest in establishing closer ties with the agro-sectors of Benin and Nigeria

Objectives and Goals

Objectives: What is our focus?

- Analyses of agro-logistics value chains in Benin and Nigeria
- Analysis of commodities for transboundary trade
- Scope: Three horticultural products
 - Tomatoes, pineapples and capsicum

Goal: Decrease logistics losses and increase logistics efficiency - hence enhancing food security

- Needs and possibilities for the improvement of agro-logistics value chains
- Feasible solutions based on the knowledge and experiences of the sector
- B2B: Create opportunities for cooperation with the Dutch sector
- No “Grand Project” - Reasonable opportunities lie in incremental steps

The study has been conducted in close cooperation with LARES (BENIN) and Valued Chain and BBagoo (NIGERIA)

- Country profiles:
 - Economic and demographic profile
 - Agricultural profiles, trade of agricultural goods
- Value Chain analyses are based on existing sources and (local) knowledge and expertise
- Survey carried out among 120 producers and traders in tomatoes, capsicum and pineapples
- Interviews with Dutch stakeholders (see Annex 1)
- Field visits in Benin and Nigeria for in-depth interviews
 - Officials, agricultural experts and port companies
 - Producers, traders and transporters



- A Economy and demography**
- B Agricultural profile**
- C In-depth study: Tomatoes, capsicum and pineapples**
- D Recommendations**

A Economy and demography

A1 Economic and demographic profile

A2 Income and income distribution

**A3 Commercial and economic centres in Benin
and Nigeria**

A4 International trade – Imports and Exports

A5 Trade facilities and structures

A6 Conclusions

A1 Economic and demographic profile



There are many contrast between Benin and Nigeria

- Benin is one of the smallest countries in the region
 - It has only 10 million inhabitants and is ranked as the world's 85th most populated country

- Nigeria is the regional powerhouse
 - Africa's largest population and ranked as the world's 7th most populated country
- The economy of Nigeria is 60 times larger than that of Benin

Benin

- Country surface area (km²): 112,760
- Population: 10 million
- Est. Population in 2035: 15.5 million
- Pop. growth (% per year): 2.8%
- GDP (\$): \$8.7 billion
- GDP growth (% per year): 5.0%

Reference country: the Netherlands

- Country surface area (km²): 41,540
- Population: 17 million
- Est. Population in 2035: 17.7 million
- Pop. growth (% per year): 0.4%
- GDP (\$): 866 billion
- GDP growth (% per year): 0.8%

Nigeria:

- Country surface area (km²): 910,770
- Population: 180 million
- Est. Population in 2035: 273 million
- Pop. growth (% per year): 2.8%
- GDP (\$): \$574 billion
- GDP growth (% per year): 6.2%

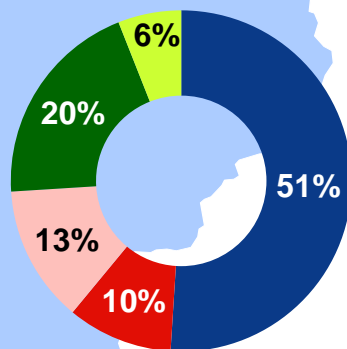
Whilst both countries have substantial economic growth, this growth is volatile and depends, especially, on global prices of crude petroleum (Nigeria) and agricultural products (Benin)

A2 Income and income distribution

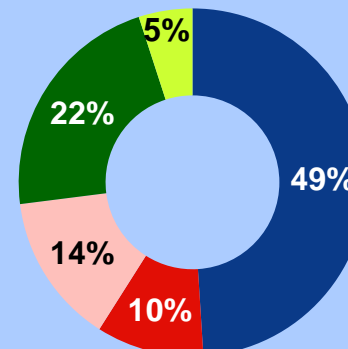
50% of GDP is earned by the highest quintile income group

Comparison NL: 50% of GDP is earned by the highest 40% income group

**Income distribution per quintile
Benin (2011)**



Nigeria (2009)



- Income share by highest 20 %
- 2nd highest 20%
- 3rd highest 20%
- 4th highest 20%
- Income share by lowest 20 %

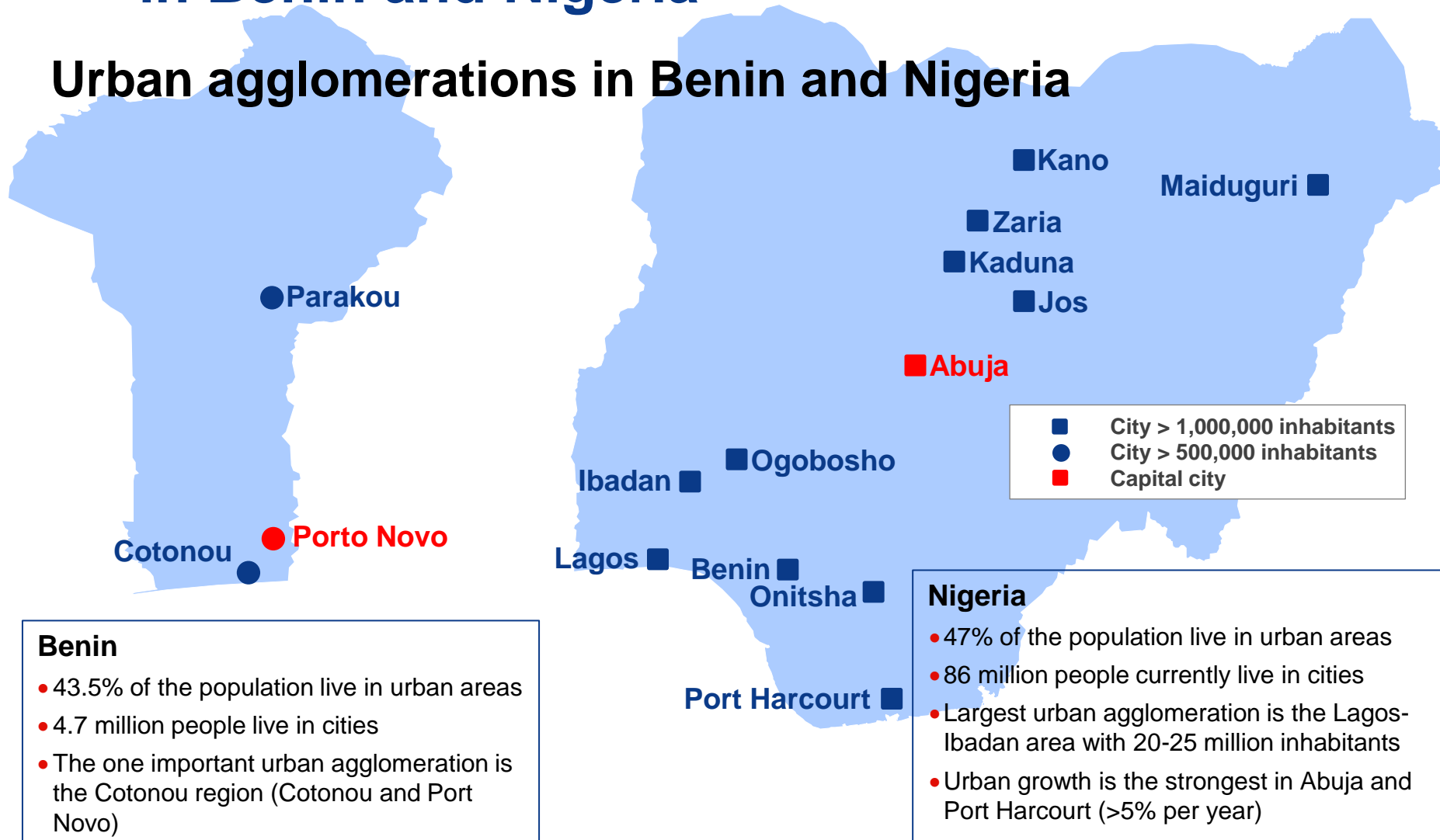
Source: World Bank (2015)

- **Income**
 - Benin is a lower-income country (GDP per capita US\$ 598,-)
 - Nigeria is a lower-middle-income country (GDP per capita US\$ 1,092,-)
- **High income inequalities in both Benin and Nigeria**
 - GINI-coefficient for Benin and Nigeria are 46 and 43, respectively
 - In Benin and Nigeria respectively 74% and 82% of the population lives below the poverty gap of \$2 per day (nominal income)
 - Highest 10% income groups earn more than 35% of national GDP
- **Especially in Nigeria the middle-class is growing and consumption is rising**



A3 Commercial and economic centres in Benin and Nigeria

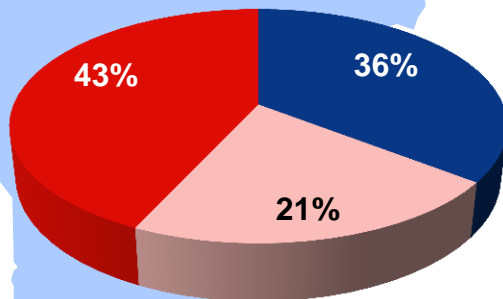
Urban agglomerations in Benin and Nigeria



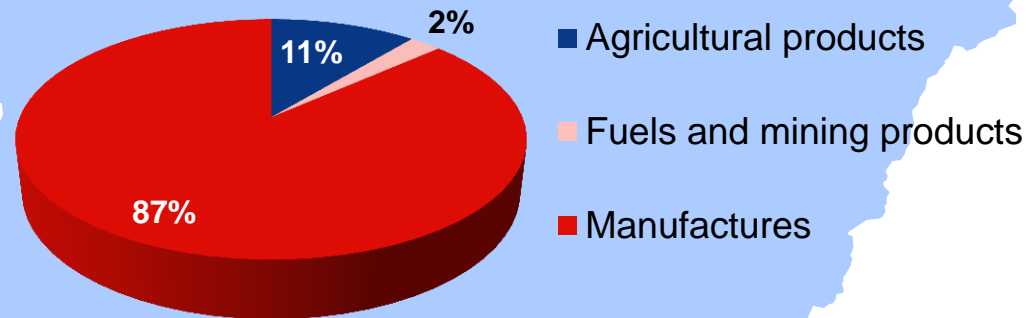
A4 International trade - Imports

Imports are dominated by manufactured goods in both countries

Imports per sector - based on value (\$)
Benin



Nigeria



Source: WTO (2015)

Benin

- Value of imported goods: \$2.2 billion
- Main import countries: USA (28%), France (9%), India (9%) and Togo (8%, partly re-exports)
- An estimated 80% of imports passing through the Port of Cotonou are destined for Nigeria
- Main imports: Marine equipment (partly re-exports to Nigeria), rice and meat products, petrol and electricity

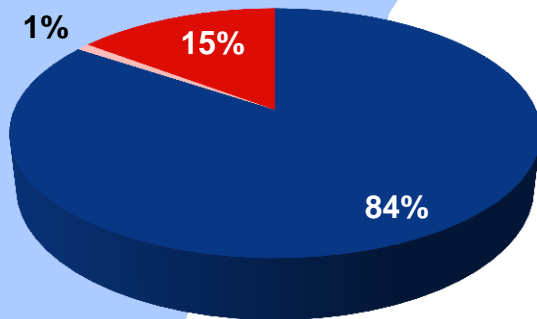
Nigeria

- Value of imported goods: \$51.1 billion
- Main import countries: China (22%), USA (9%), the Netherlands (5%), UK (5%)
- An estimated 80% of imports passing through the Port of Cotonou are destined for Nigeria
- Main imports: Machinery, vehicles and (motor)cycles, wheat

A4 International trade - Exports

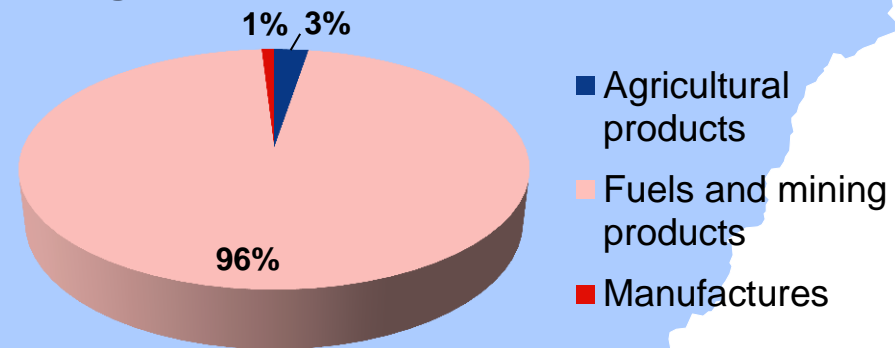
Nigerian exports mainly comprise oil and gas, while Benin's exports are predominantly made up of agricultural products

Exports per sector - based on value (\$)
Benin



Source: WTO (2015)

Nigeria



- Agricultural products
- Fuels and mining products
- Manufactures

Benin

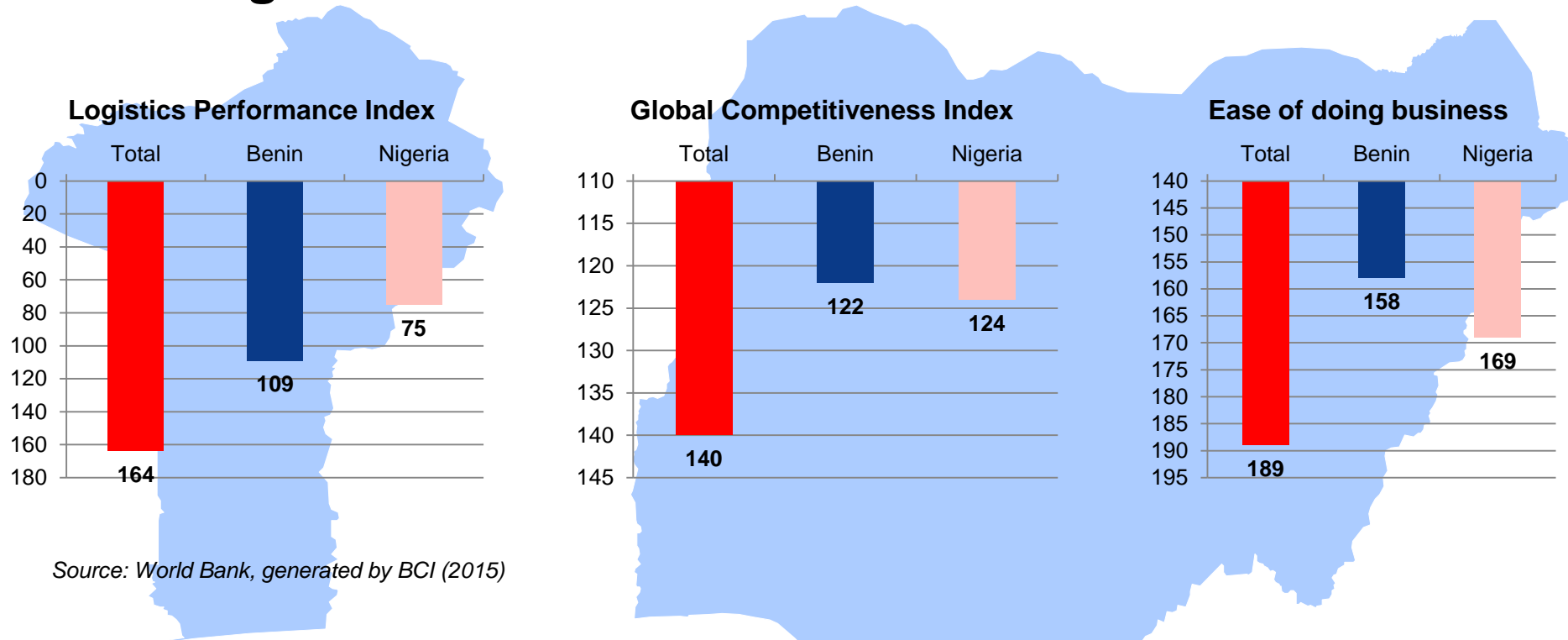
- Value of exported goods: \$1.6 billion
- Main export countries: China (19%), India (11%), Nigeria (11%), Chad (7%)
- Main exports: Cotton, fruits and nuts and re-export of marine equipment and petrol products

Nigeria

- Value of exported goods: \$94.7 billion
- Main export countries: India (13%), Netherlands (11%), Brazil (9%), USA (8%)
Estimated 80%
- Main exports: Oil and gas and petroleum products, rubber and cocoa

A5 Macroeconomic context

Rankings in international indexes



Source: World Bank, generated by BCI (2015)

	+	-
Benin	International shipping, Labour market efficiency	Infrastructure, Power supply, Logistics
Nigeria	Market size, Labour market efficiency, Financing mechanisms (especially for oil and gas)	Infrastructure, Customs and cross border procedures, Power supply

A6 Conclusions

Nigeria and Benin: different characteristics and different potential

Characteristics - Benin:

- Benin is a relatively small economy
 - The economy mainly relies on agriculture and services
 - The economic and demographic centre is the greater Cotonou area
- Production of cotton dominates the economy and the export market
 - Cotton supply to international markets
- Structural challenges:
 - Poor road conditions, missing intermodal linkages
 - Unreliability of power supply

Characteristics - Nigeria:

- Nigeria is the economic powerhouse in (West) Africa
 - Large population and increasing prosperity
 - Strong urbanisation
 - The economic centre of the country is the Lagos-Ibadan corridor
- Economic structure is dominated by oil and gas
 - Current low price of crude oil causes deficits in government spending
- Structural challenges in Nigeria and Benin can be seen in terms of the infrastructure
 - Poor road conditions, missing intermodal linkages
 - Unreliability of power supply
 - Macroeconomic volatility

B Agricultural profile

B1 Economic value of agriculture

B2 Agriculture policies – Benin and Nigeria

B3 Type of products – Production, imports and exports

B4 Infrastructure for agro-logistics

B5 Food security

B6 Conclusions

B1 Economic value of agriculture



Substantial share in land use, employment and the economy

Characteristics – Benin (based on FAOStat):

- Country surface area (km²): 112,760
- Agricultural land (km²): 37,000
 - 33% of total land
- Cultivated land (km²): 31,500
 - 85% of agricultural land
- Employment in agriculture: 1.8 million
 - 40% of total employment
- GDP of agricultural sector: \$2.7 billion
 - 32% of total GDP
- Import value: \$790 million
- Export value: \$1,345 million

Characteristics – Nigeria (based on FAOStat):

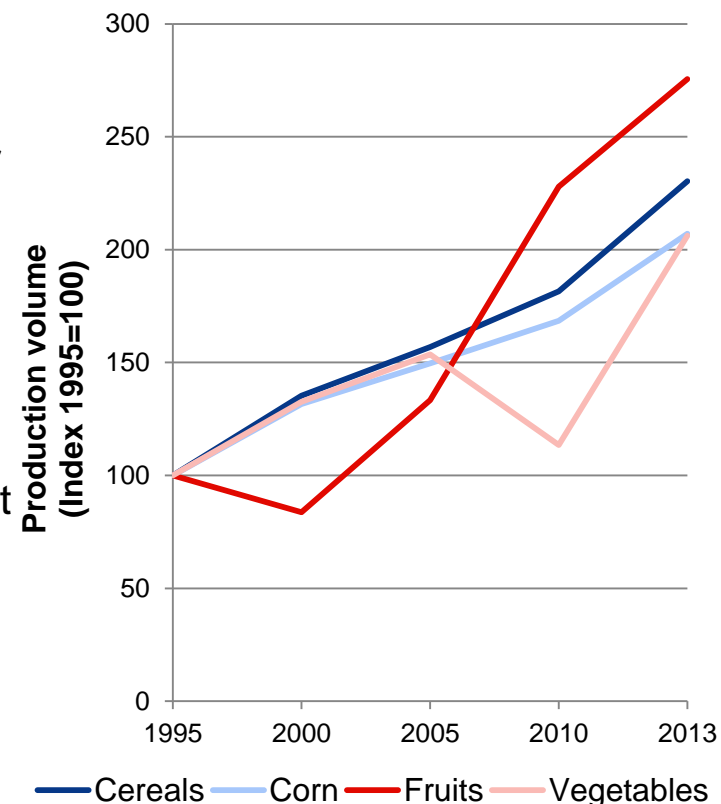
- Country surface area (km²): 910,770
- Agricultural land (km²): 720,000
 - 80% of total land
- Cultivated land (km²): 417,000
 - 57% of agricultural land
- Employment in agriculture: 12.6 million
 - 22% of total employment
- GDP of agricultural sector: \$148 billion
 - 31% of total GDP
- Import value: \$5,620 million
- Export value: \$2,840 million

B2 Agricultural policy - Benin

Benin: Agricultural policies steer national and sectoral developments

- Policy comprised in the strategic plan for the recovery of the agricultural sector (PSRSA):
 - Stimulate economic growth and employment
 - Increase food security for a growing population
 - Improvement of the financial facilities for farmers
 - Diversification and sustainable production
- Diversification from cotton production towards other products have to result in higher added value and decreasing independences from global markets
 - Focal products are cashew, shea nuts and pineapples
 - Transition of the existing public services and institutions for the cotton sector towards other products is necessary
 - This is a challenge for the public sector
- Programme funded through the National Investment Programme for Agriculture (PNIA):
 - Improvements in administration, research and control
 - Development of agriculture, livestock farming and aquaculture
- Projects have been nominated with total investments of \$51 million (CFA 32 billion)
 - Promotion of agricultural production
 - Projects with a focus on specific regions

Agricultural production since 1995



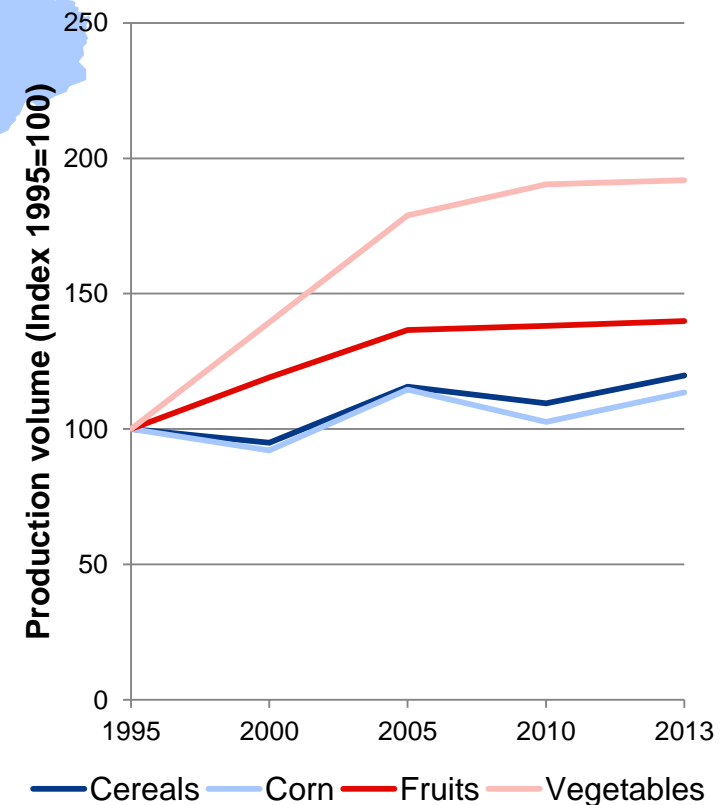
Source: FAO (2014)

B2 Agricultural policy - Nigeria

Nigeria: the Agricultural Transformation Agenda aims at self-sufficiency and inclusion

- Political strategy since the 1970s has focussed on the oil and gas sector
 - Agricultural strategy was created in 1988 (ADP) but implementation remained incomplete
 - Current low oil price creates deficits in national balance of payment
- The Agricultural Transformation Agenda (2010-2015)
 - Focus on self-sufficiency in agricultural production, diversification of the economy; inclusion of rural population
 - Tools: financing (NIRSAL), inputs (GES), processing tax incentives (SCPZ)
 - ATA is generally perceived as successful and is supported by the World Bank and other institutions
 - Effects for the sector have to become more visible

Agricultural production since 1995

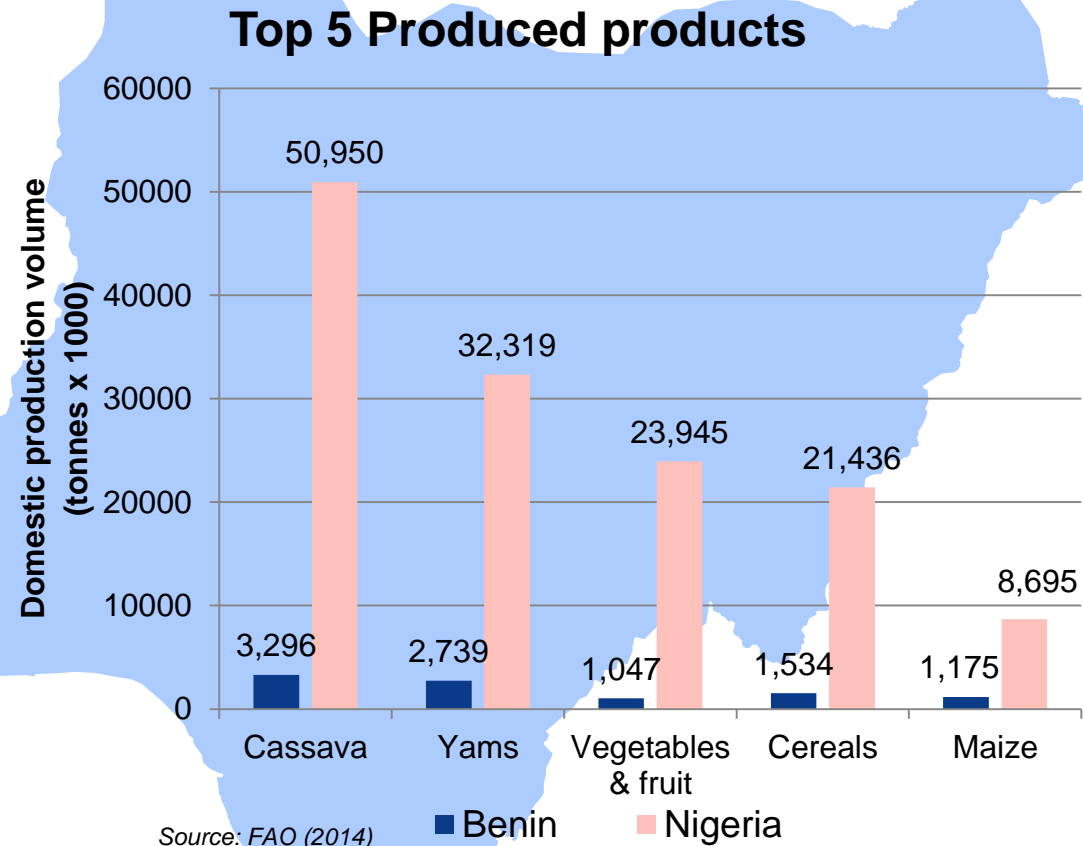


Source: FAO (2014)

B3 Type of products - Production

Production of agricultural goods

- Domestic production in Nigeria is more than 15 times that of domestic production in Benin
 - Nigeria produces 171 million tonnes whereas Benin produces 11 million tonnes
- The main agricultural products in both Nigeria and Benin are cassava, yams and maize
 - The total production of these crops accounts for 60-75% of total agricultural production

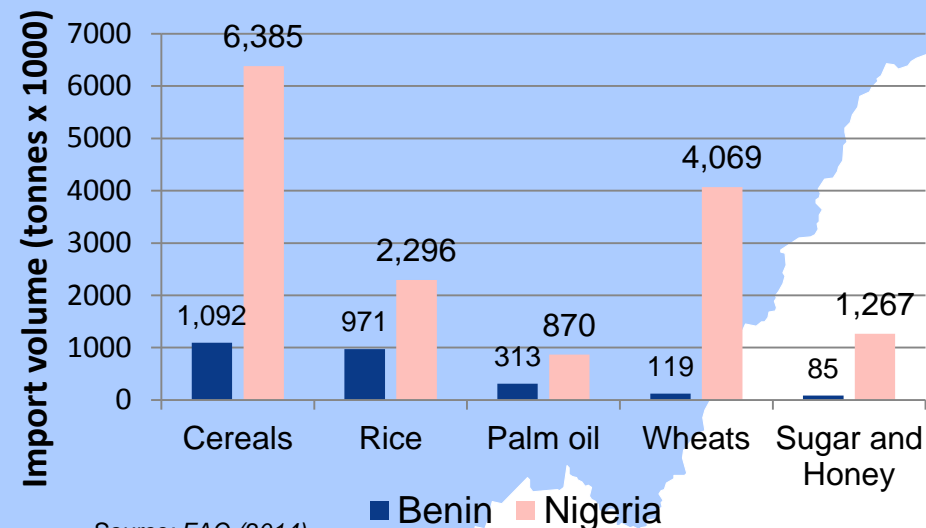


B3 Type of products - Imports

Imported agricultural goods

- Top 5 imported products in both Benin and Nigeria are also the same:
 - Cereals, rice, palm oil, wheats and sugars
- Imported products involve staple food and refined products
 - Production levels in Benin and Nigeria fall short of domestic demand
- The importation of agricultural goods in Benin and Nigeria is substantial in terms of food supply
 - Import value in Benin is 5.6 million tonnes (50% of the total domestic production)
 - Import value in Nigeria is 28.4 million tonnes (17% of the total domestic production)
- Self-sufficiency is a main driver for agricultural policies (see also B2), but these policies do not adequately account for the independence of imported staple crops
 - Increased domestic productivity can not level with domestic population growth
 - Most effective agricultural policies focus on structural sectoral improvements and development of value chains

Top 5 imported products:
Benin & Nigeria



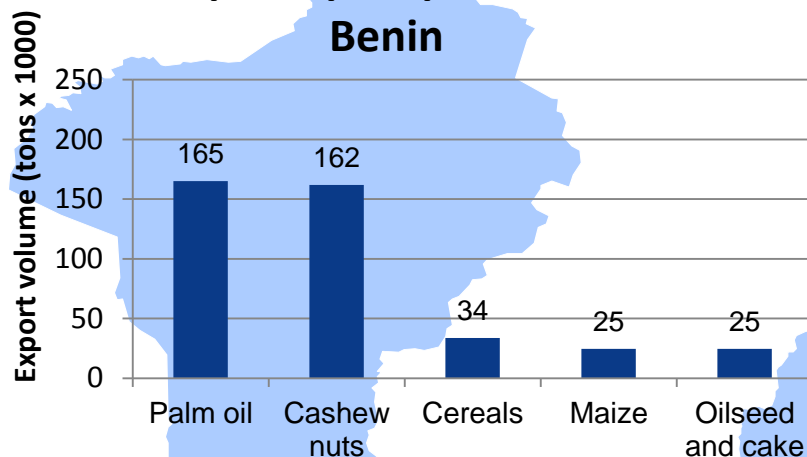
Source: FAO (2014)

B3 Type of products - Exports

Export of agricultural goods

Top 5 Export products:

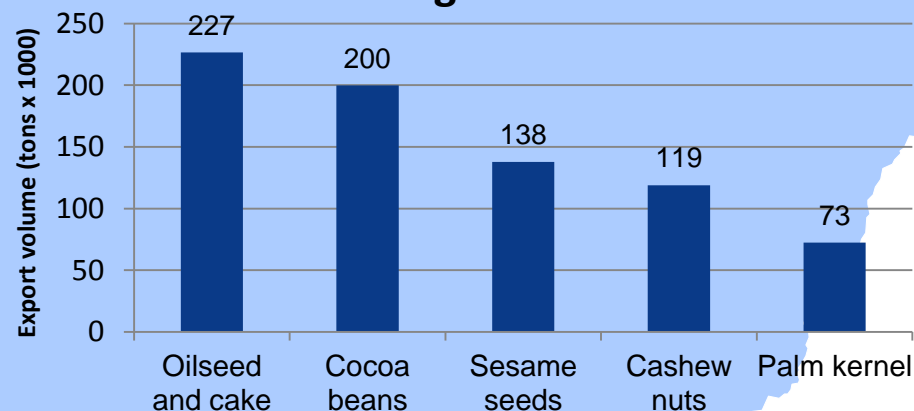
Benin



Source: FAO (2014)

- Total exports in Benin amount to 1.0 million tonnes (10% of domestic production)
- Top 5 export products in Benin:
 - Palm oil and cashew nut production are destined for exportation to international markets
 - Exports of cereals and maize are mostly regional

Nigeria



- Total exports in Nigeria amount to 1.4 million tonnes (<1% of domestic production)
- Top 5 export products in Nigeria:
 - Oilseeds and cocoa are the main export products for the international markets
 - Export volumes are relatively low compared to domestic production

Most regional exports in Benin and Nigeria are informal
 Estimated share of informal exports range from 30-60% of total exports

B4 Agro-logistics infrastructure



Benin: Infrastructure and logistics services are mainly seaport related

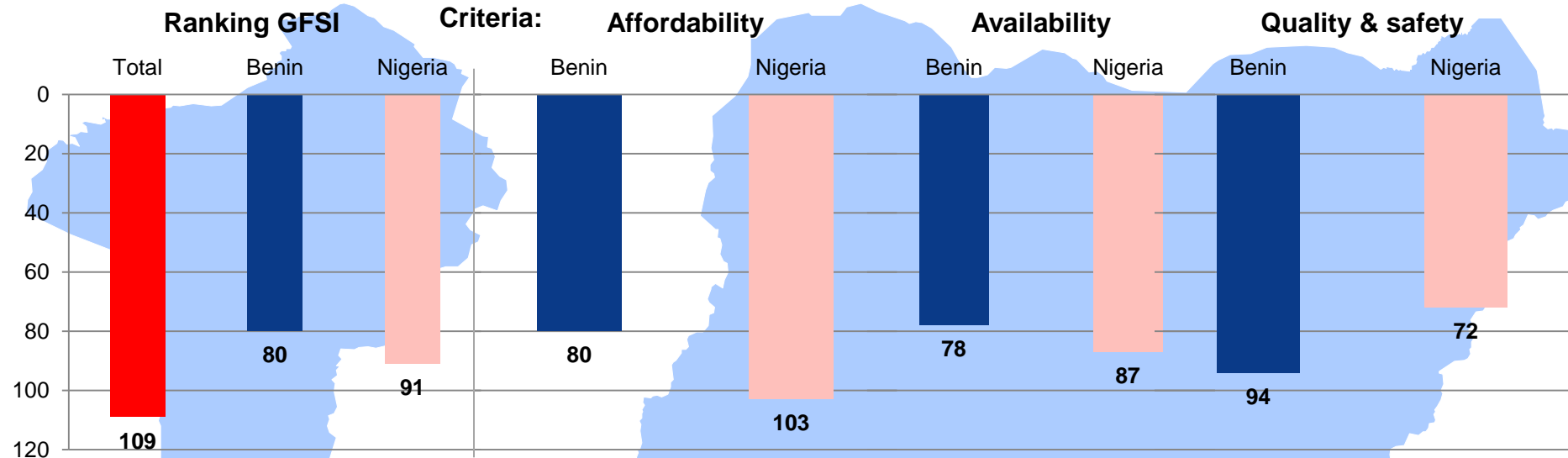
- Storage facilities for poultry and fish are available in commercial centres and ports
 - Import and re-export products
 - Developments around the Seme border for transboundary trade with Nigeria
- Lack of (cold) storage facilities for fruit and vegetables
- Benin has a relatively dense road network related to (international) corridors
 - Quality of corridors in the southern region is good
 - New road projects have been developed in the East-West corridor (Lome-Cotonou)
 - There have not yet been any intermodal developments but there are plans to develop a rail link with landlocked countries
- The local road network for accessibility to agricultural production areas is mostly unpaved
- The logistics sector in Benin is not well-developed
 - The quality of logistics services is sub-optimal
 - Logistics services are centred on port activities

Nigeria: Long transport distances

- Storage facilities are available for import products but do not exist for domestic products
 - Poor storage for fruits and vegetables, cassavas and yams
 - Excellent storage for corn, millet, rice, palm oil and cocoa at ports, but not in hinterland
- Road infrastructure is in a poor condition
 - Corridors are mostly paved but the road conditions are sub-optimal
 - The local road network is mostly unpaved
 - Intermodal transport options are weak; No inland shipping, single rail services Lagos-Ibadan
- Transport costs are relatively high
 - Long distances in north-south corridor (more than 1,000 km) raises transport costs
 - Quality of transport is poor: non-refrigerated vehicles and the fleet is old
 - Limited efficiency for finding backloads
 - Road blocks cause severe delays of transport times
- Transport conditions are the main cause of food losses

B5 Food security

Ranking Global Food Security Index (GFSI) 2015



Source: GFSI (2015)

Main risks in Benin:

- 20% of children are undernourished
- 74% of the population are living on under \$2 per day (based on nominal income)
- Limited diet diversification.
- Lacking agricultural infrastructure (crop storage, road conditions)
- Substantial food losses

Main risks in Nigeria:

- 36% of children are underweight
- 82% of the population are living on under \$2 per day (based on nominal income)
- 60% of household expenditure is related to food
- Lacking agricultural infrastructure (crop storage, road conditions)
- Substantial food losses



B6 Conclusions

Characteristics of agriculture in Benin:

- Agriculture is the most important economic sector:
 - 40% of employment
 - 30% of GDP
 - Main export sector
- Net importer of staple food
- Agriculture is a policy priority
 - Focus on export markets and income stability
- Food insecurity is high
 - Limited diet diversification and low purchase power for households
 - Substantial food losses due to bad agro-logistics conditions (roads, warehouses, vehicles) and lack of facilities

Challenges:

- Priority focus on exports
- Limited investment opportunities and low level of professionalization
- Limited land availability means product volumes are relatively low
 - Specification of export markets is necessary

Characteristics of agriculture in Nigeria:

- Economic impact of the agricultural sector is substantial – it accounts for...
 - 22% of employment
 - 30% of GDP
- After years of a lack of policy attention, the agricultural sector has gained new political interest
 - ATA policy 2010-2015 has put agricultural policy high on the priority list
 - Focus on self-sufficiency and social inclusion
- Food insecurity is high
 - High prices for food products and low incomes
 - Substantial food losses, due to market inefficiencies and bad agro-logistics conditions (roads, warehouses, vehicles)

Challenges:

- Backlogs in productivity and agro-logistics structures, due to low political interest before 2010, have not been cleared yet
- Large potential in terms of land availability and the domestic market

C In-depth study: Tomatoes, capsicum and pineapples



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C1 Production and markets - Trade flows, transport flows

C2 Transport characteristics

C3 Cost structure of agro-logistics

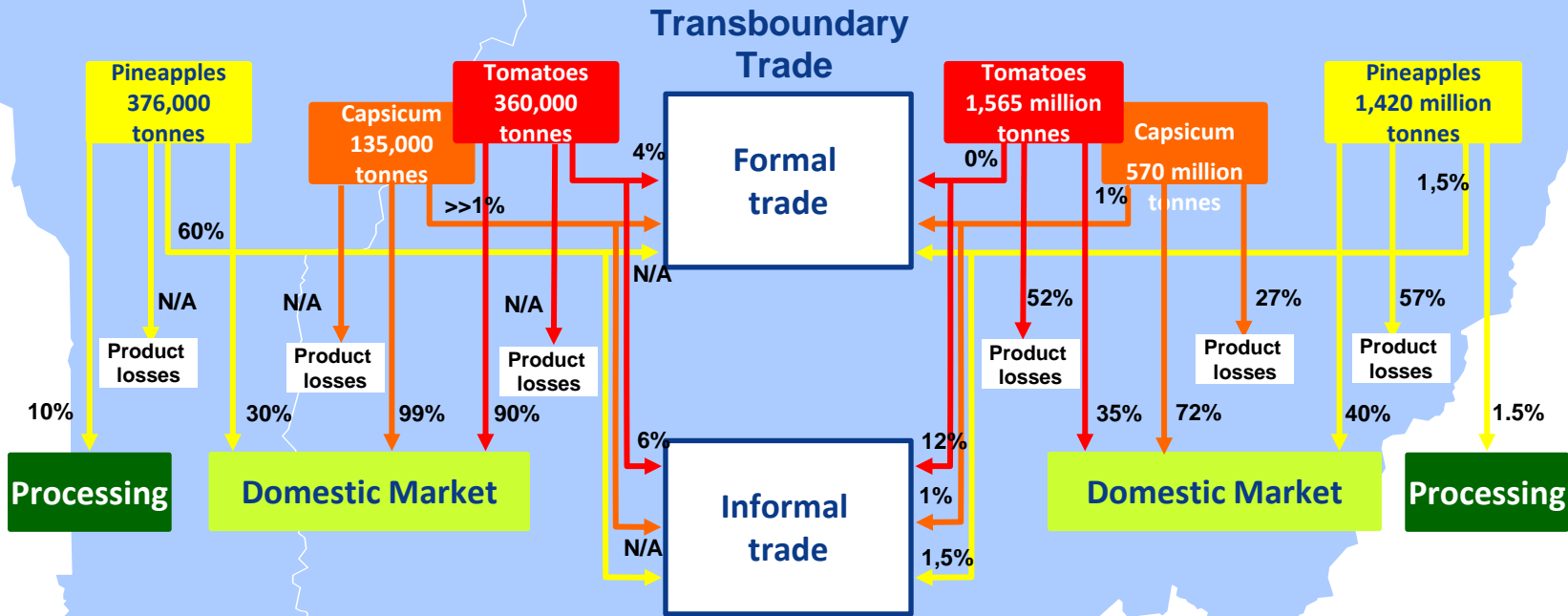
C4 Food losses in the value chain

C5 Improvements in agro-logistics – Benin and Nigeria

C6 Conclusions

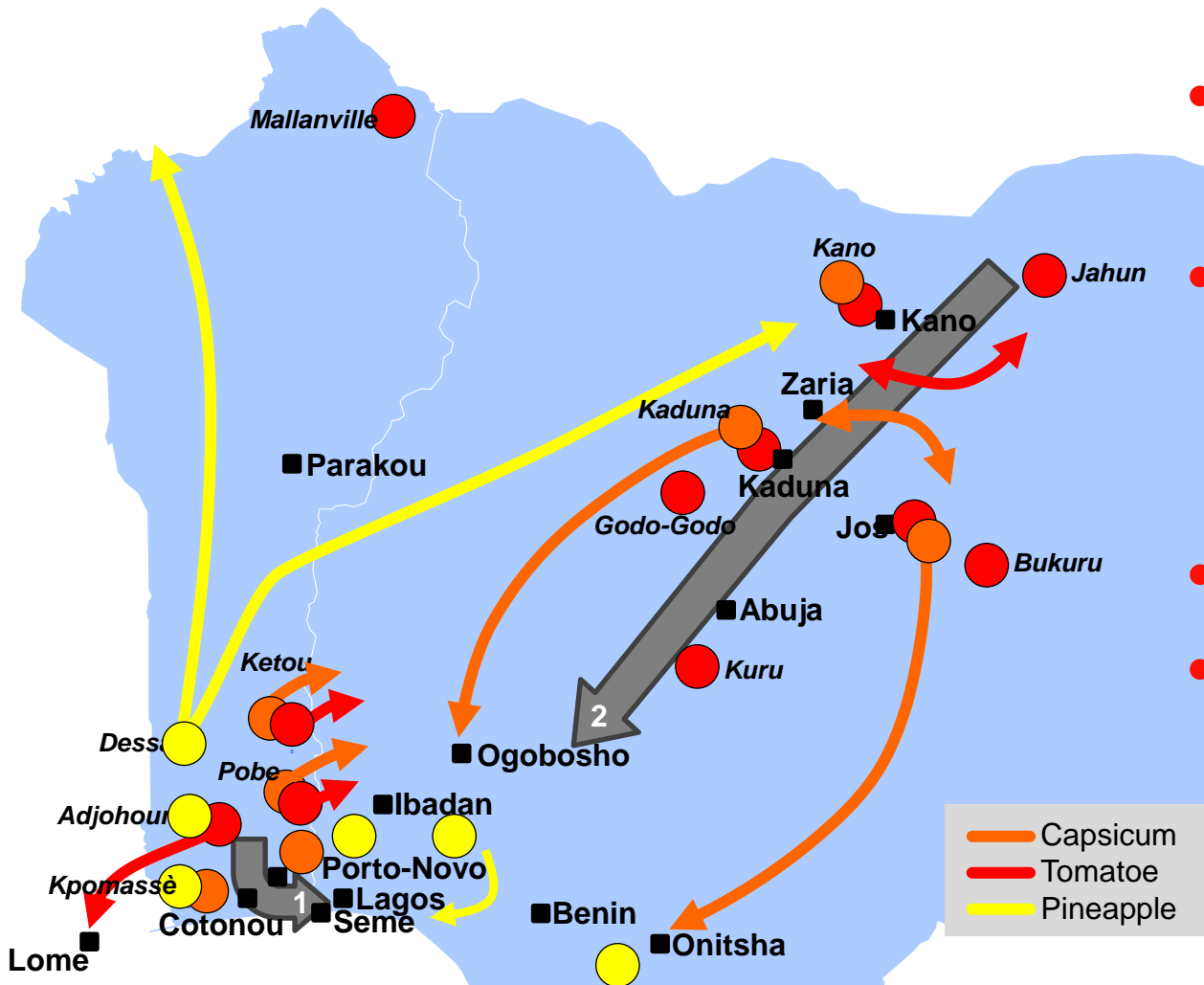
C1 Production and markets - Trade flows

Production & Trade flows



Source: BCI/LARES/Valued Chain/BBagoo based on survey results (2015)

C1 Production and markets - Transport flows



- Large product flows (arrows 1 and 2) from production to commercial centres in Benin and Nigeria
- Seme is a main border crossing for both formal and informal trade to the Lagos area
 - Eastern production areas in Ketou, Pobe and Ifangi facilitate informal cross border trade
- Pineapples are a regional export commodity for Benin
- The northern region of Nigeria (Jos plateau, Kano) is the main production region and features a substantial concentration of trade intermediaries

Source: BCI/LARES/Valued Chain/BBagoo based on survey results (2015)

C2 Transport characteristics

Benin offers market proximity

Nigeria faces long transport distances

Transport characteristics: Benin

Transport mode	Volume (kg)	Av. Transport distances (km)	Av. Transport times (hr:mn)
Motorcycle	85-100	10-20	0:30-1:00
Small truck (tent)	1,500-2,200	40-60	2:00-3:00
Small truck - J9	2,500-2,600	40-50	2:00
Trucks	10000	80	4:00

Source: BCI/LARES/Valued Chain/BBagoo based on survey results (2015)

Transport characteristics: Nigeria

Transport mode	Volume (kg)	Av. Transport distances (km)	Av. Transport times (hr:mn)
Motorcycle*	80-100	5-10	1:00-2:00
Small truck (open top)	3,500-4,400	164-350	3:30-11:00
Small truck (closed top)	4,500-5,500	470-550	9:00-13:30
Truck	7,300-12,000	600-770	11:45-15:00

*Use of motorcycle mainly for pineapples

Transport modes



Trucks (10 tonnes)



Cross border transport of capsicum at Seme



Small trucks (J9) for transporting tomatoes



Small trucks with a tent for transporting pineapples

Sorting and grading



Sorting of tomatoes in Cotonou



Sorting/recollection of pineapples at the Seme border

Packaging



Tomatoes in baskets with return labels



Capsicum in bags and baskets



Pineapples for export

C2 Transport characteristics – Description



Characteristics of transport in Benin:

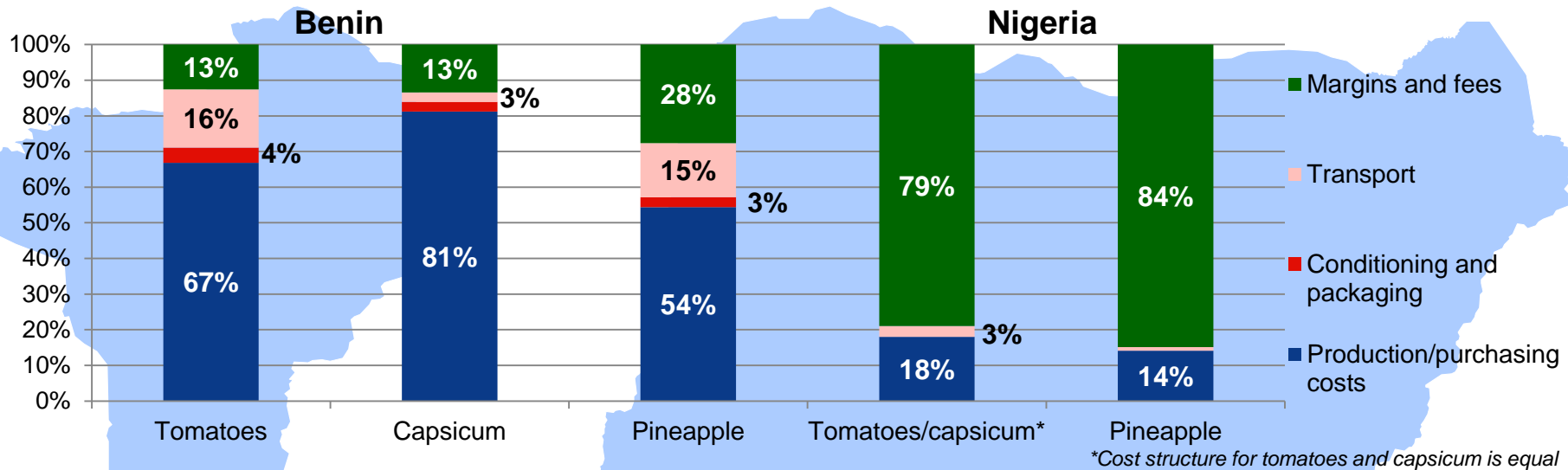
- Proximity of (domestic) markets and cross border to southern commercial centres
- Basic equipment for transport and packaging
- Added value and added quality in agro-logistics activities only applied to export products (regional and international)
 - Added value and quality due to sorting and packaging

Characteristics of transport in Nigeria:

- Supply from northern production areas in Nigeria involves average distances of 700-800 km, which causes long transport times to main consumption areas around Lagos
- Heavy delays due to road blocks
- Whilst specialist transporters from northern Nigeria offer competitive prices, the lack of backloads increases transport costs
- Examples of added value and added quality in Nigeria are limited

C3 Cost structure of agro-chains

Contribution to the product costs



Source: BCI/LARES/Valued Chain/BBagoo based on survey results (2015)

Benin

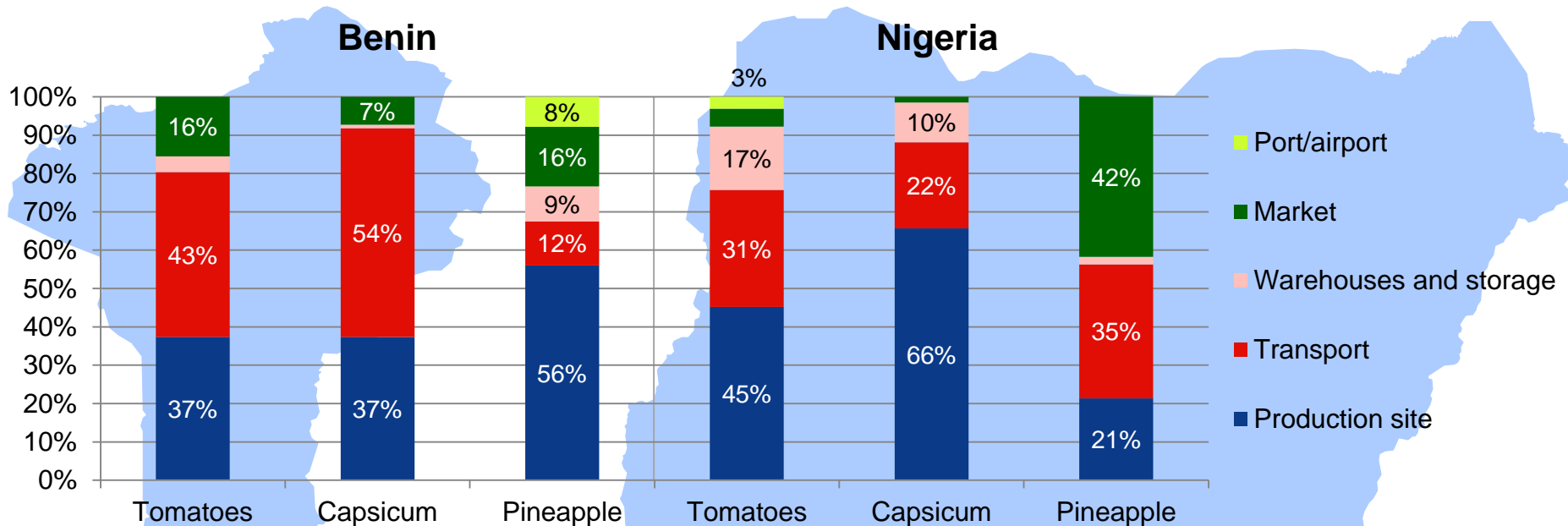
- Cost structure is dominated by product costs
- Agro-logistics costs vary between 5-20% of total product costs
 - Transport and conditioning/packaging
 - Warehousing and storage are absent in the value chain
- Higher transport costs for pineapples and tomatoes are related to the remoteness of the production sites and (international) markets
- Basic value chain development
 - Nodes of adding value in transport and sorting

Nigeria

- Cost structure is dominated by margins/fees
 - Transport costs partly incorporated in margins
 - Losses also incorporated in margins
- High margins/fees indicate that value chains and value added activities are not well-developed
 - Focus is on trade and not on adding value except added value of space

C4 Food losses in the value chain

Activities where food losses occur

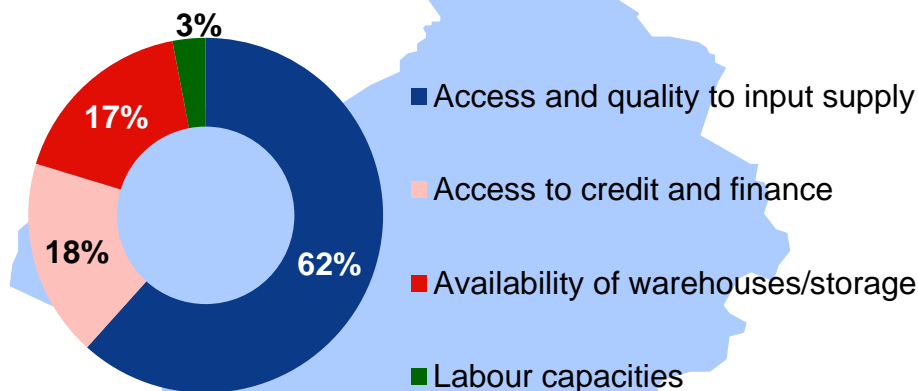


Source: BCI/LARES/Valued Chain/BBagoo based on survey results (2015)

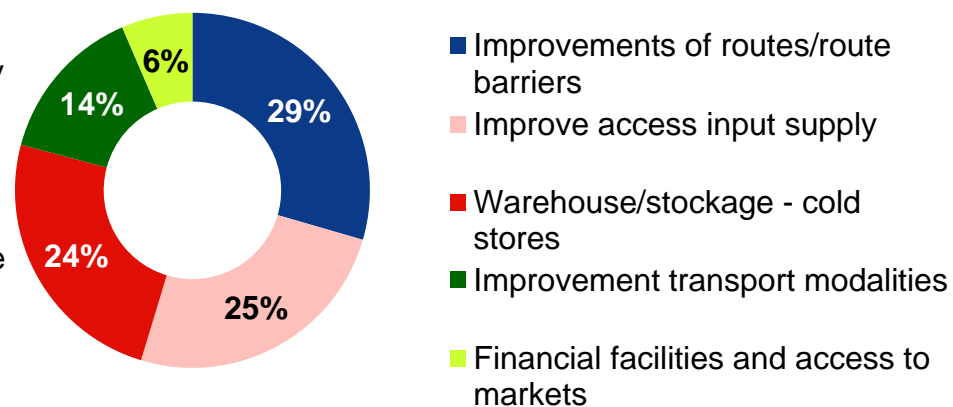
- Most food losses occur during transport and at the production site
 - Total agro-logistics losses range from 20-50% of total losses
- Causes of food losses in each activity:
 - Production site: inappropriate inputs and manual handling
 - Transport: poor road conditions and transport conditions (heat and ventilation)
 - Warehouse and storage: inappropriate storage facilities, exposure to heat and sun
 - Losses at market places due to unsold products/surplus during harvest season and unloading/handling
 - Cold storage facilities are not available at ports/airports

C5 Improvements in agro-logistics - Benin

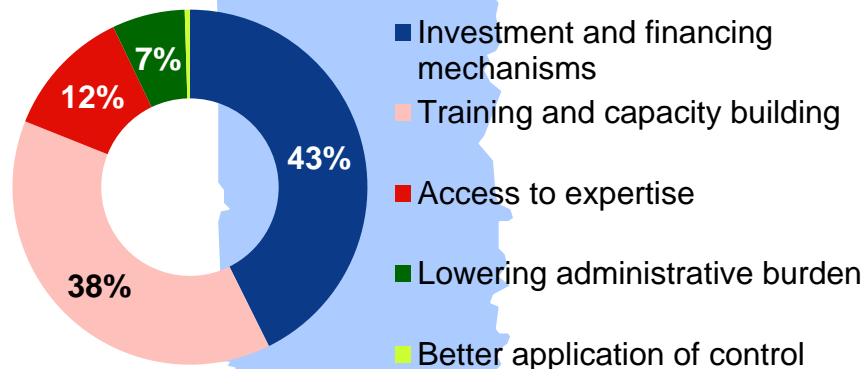
Bottlenecks for producers/traders



Levers to reduce food losses



Needs to improve business



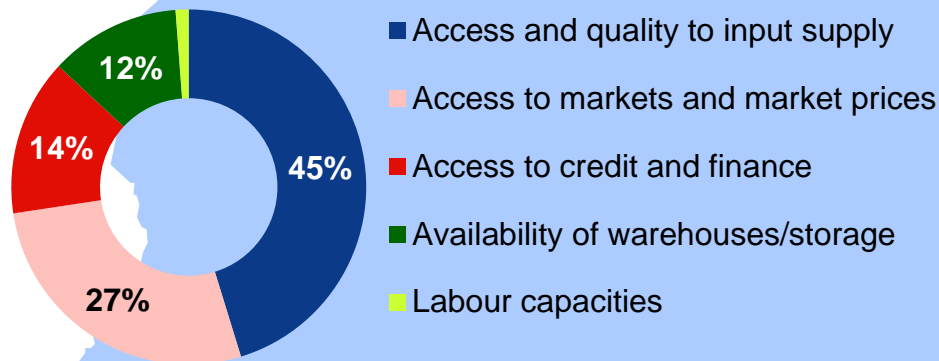
Observations:

- Main challenge is access to input supply and capital. However, the lack of warehouses and labour capacities are also mentioned
- Building of agro-logistics infrastructure is mentioned as the best lever for reducing food losses
- Improving handling, packaging and production is urgently required
- Capacity and access to Dutch expertise is welcomed by many

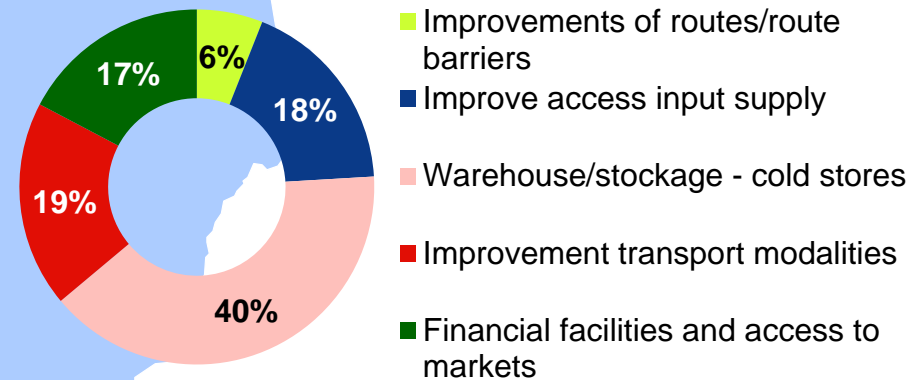
Source: BCI/LARES/Valued Chain/BBagoo based on survey results (2015)

C5 Improvements in agro-logistics - Nigeria

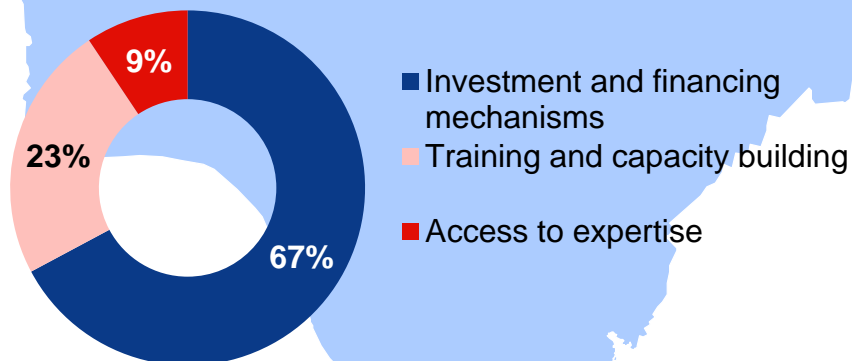
Bottlenecks for producers/traders



Levers to reduce food losses



Needs to improve business



Observations:

- Main challenges are access to markets and access to input supply.
- Warehouses and cold stores are mentioned as the main lever to reduce food losses as well as the optimisation of transport
- Financing mechanisms appear to be a real bottleneck in terms of both developing and improving business

Source: BCI/LARES/Valued Chain/BBagoo (2015)

C6 Conclusions

Characteristics of trade and value chains in Benin:

- Trade flows concentrate on southbound and Nigerian trade (Lagos)
 - Barriers in formal trade increase time at the border and stimulate informal trade through intermediaries
- Transport times and distances are relatively short in the southern production areas
 - Potential to increase transboundary trade
 - Potential to decrease the deterioration of produce and food losses
- Value chain is only basically developed
 - Emerging added value in transport and sorting
 - Warehouses and cold storage are absent
- Food losses are high. Estimated food losses are 20-50%. Causes for food losses are:
 - Poor road conditions in combination with packaging material
 - Absence of refrigerated storage and transport
 - The manual handling of products

Characteristics of trade and value chains in Nigeria:

- Trade flows concentrate on north-south corridor
 - From production areas in Jos plateau/Kano to markets in the Lagos-Ibadan corridor
- Long transport distances and transportation times result in damage to products
- Value chains in Nigeria are not developed
 - High margins are counterproductive for investments in added value and as a consequence value chains are hardly developed
- Food losses are high. Estimated losses are more than 50%. Causes of food losses are:
 - Poor transport conditions
 - Lack of cold storages and warehouses

D Recommendations



**Buck
Consultants
International**

D1 Market gaps

D2 General context

D3 Specific actions

D1 Market gaps

Main market gaps in Benin:

- Limited access to regional markets
- Existing value chains are only nodally developed
 - Low level of professionalization
- Investments are limited
- Processing industry hardly exists

Main market gaps in Nigeria:

- Production levels and agro-logistics are insufficiently developed to be able to supply the domestic markets
- High trader margins and fees increase food prices but hamper investments in the value chain
 - No added value throughout the supply chain
- Political and private interest in the agricultural sector increases
 - Increasing domestic demands for quality products
 - Private investors search for investment opportunities in the sector
- Processing industry is not well-developed



D2 General context of recommendations

Both countries show a lack of awareness regarding agro-logistics

Benin: focus on G2G and the role of NGOs

- Private sector and market are still only relatively developed
- Support for further professionalization of the sector is key

Focus on the improvement of regional trade and capturing international trade opportunities

- High potential of regional trade in agricultural products

Improvements of agro-logistics based on available value chain nodes

- Capacity building and training in handling and packaging
- Innovations in packaging techniques based on current practices

Nigeria: focus on G2B and B2B

- Recent policy focus on the agricultural sector also improves investment opportunities but risks remain high due to the volatile macroeconomic framework
- Private sector and markets are focussed on trade and shifting volumes but there is less focus on value creation
- Limited support of NGOs in training and investment projects

Focus on domestic market and quality enhancement of produce

- Potential of the domestic market is substantial
- Improved quality and reduction of food losses contributes to reduction of overall food prices
- Growing middle class could be willing to pay for higher quality products

Improvement of agro-logistics by putting building blocks in place

- Small scale proximity logistics consolidation centres located near to production areas
- Development of infrastructure: cold stores and refrigerated trucks
- Investing in innovative value chains and processing

D3 Specific actions

Applicable to both Benin and Nigeria

Increase the awareness of the importance of agro-logistics

- Goal: Changing the mind-set of policy makers, policy executers and sector parties
- Impact: Low investment level

Executive steps:

- Organisation of workshops in Benin and Nigeria to increase the awareness of producers and transporters, but also public officials
- Roadshow in the Netherlands to create interest in Benin/Nigeria from the Dutch agro-logistics sector
- Organisation of a trade mission to Benin/Nigeria with a focus on agro-logistics

Specific actions for Benin (1)

A. Investments in cold chain facilities with the support of the Dutch government and NGOs

- Goal: Improvement of trade facilities and increase markets for traders
- Impact: High investment level

Executive steps:

- Identifying strategic locations for cold store development
 - Axes of north-south and east-west corridors, such as the Parakou and Adjahoun regions
- Combine investment in cold storage with pilot projects for cool transport
 - Facilities for cooled transport linked to mid-term development of intermodal rail transport
 - Overcome possible reluctance for cooperation between local stakeholders
 - Secure transparent agreements and fair division of benefits between participants
 - Secure the participation of an independent logistics service provider
- Focus on the consolidation of export flows by creating a core group of exporters and logistics operators
 - Pilot project with tomatoes (proposed), small scale
 - Geographic emphasis on southern coastal corridor

Specific actions for Benin (2)

B. Launch a small scale pilot project in value addition with the help of interested NGOs

- Goal: Strengthening local value chains and entrepreneurship
- Impact: Medium high investment level

Executive steps:

- Mobilise interested local growers of capsicum or tomatoes as well as Dutch NGOs
- Undertake market requirement study to identify the links of the chain where value addition could have the greatest impact, e.g. packaging, small scale (domestic) processing project
- Launch pilot

C. Organise a programme for capacity building and training

- Goal: Increase basic knowledge and capacities
- Impact: Low investment level

Executive steps:

- Handling of products at harvest, in pack houses and during transport
- Packaging and packaging materials
- Transport and conditioning of products

Specific actions for Nigeria (1)

A. Facilitate private investments by Dutch companies in cold chains

- Goal: Improvement of supply chain facilities to increase quality and product value
- Impact: High investment level (risk reduction)

Executive steps:

- Identify strategic locations to supply the domestic markets
 - For example, production and trade hubs in Jos/Kano
- Identify Dutch warehouse developers and logistics service providers (see also roadshow concept)
- Facilitate co-financing in warehousing and transport facilities at Nigerian and Dutch companies
 - Complement investments with expertise and training in warehouse management
 - Cooperation with Nigerian investors in the retail sector

Specific actions for Nigeria (2)

B. Provide market access to Dutch expertise in agro-logistics

- Goal: Apply specific Dutch knowledge and expertise
- Impact: Medium high investment level

Executive steps:

- Identify Dutch knowledge partners with an interest in Nigeria
- Develop a value proposition of Dutch expertise
- Mediate between Dutch knowledge providers and Nigerian companies (retail)
 - Facilitate this through the Nigerian Ministry of Agriculture

C. Organise a programme for capacity building and training

- Goal: Increase basic knowledge and capacities
- Impact: Low investment level

Executive steps:

- Handling of products at harvest, in pack houses and during transport
- Packaging and packaging materials
- Transport and conditioning of products