

Concept Note for the National Tomato Stakeholder Summit (NTSS) Kano 2019

Background

Grow Africa's partnership was jointly founded in 2011 by the African Union (AU), the New Partnership for Africa's Development (NEPAD) and the World Economic Forum (WEF). Since then, Grow Africa's mission has been to mobilize private sector investment in African agriculture and accelerate execution in support of national and continental priorities. Grow Africa's role has been to catalyse the potential for private sector investment to generate economic growth and job creation, particularly among smallholder farmers including women and youth. This has been achieved through playing a convening role between key stakeholders in African agriculture, particularly governments, international and domestic agriculture companies and smallholder farmers, value chains and multi-stakeholder platforms, with the goal of working together to come up with actionable solution to lower the risk and cost of investing in African agriculture, also improving the livelihood of smallholder farmers

Grow Africa in May 2017 signed cooperation agreement with the Nigeria Agribusiness Group (NABG). The collaboration is aimed at working towards to improving the business environment of private sector in agriculture and for smallholder farmers including connecting commercial partners with knowledge, expertise and resources where possible. The agreement also aims to identify key platforms to advance the goal and vision of CAADP and specifically support and advance three to five (3-5) specific commodity value chains. i.e cassava, tomato, maize, soya bean and rice.

In view of the above, Grow Africa and Nigeria Agribusiness Group (NABG) are organizing a one day Tomato Stakeholders Summit in **Kano on Thursday 24th January 2019**. The summit has received the support of other partners working tirelessly in the Tomato value chain such as, PYXERA Global, TechnoServe Nigeria, GAIN Plan Project, AGRA, OTACCWA and the umbrella Tomato Association in Nigeria TOGAN. This meeting will provide an opportunity for farmers to leverage on the knowledge base of experts to boost their production and increase output. These will ultimately impacts on private sector investment in the tomato value chain in Nigeria.

Introduction to Nigeria Tomato Sector:

Tomato accounted for about 60% of the global vegetable production at 177 million tonnes in 2016. With about a quarter of tomatoes produced used in the processing industry, tomato is the world's leading vegetable for processing into pastes, juices and powders.

Nigeria is currently the second largest producer of fresh tomatoes in Africa, producing 10.8% of fresh tomatoes in the region. Globally, the country is the 14th largest tomato producer with 2.3 million tonnes in 2016. This accounts for a marginal contribution of 1.2% of the world's output in 2016. Over the last decade, the production of fresh tomatoes in Nigeria has grown by 25% from 1.8 million tonnes to an estimated 2.3 million tonnes. However, this growth has been primarily

facilitated by continuous increase in the harvested area for tomatoes from 265,000 hectares to 668,292 hectares in the same period. However, between 2006 and 2016, tomato yields have remained very low at an average of 5.47 tonne/ha relative to the world average yield of 38.1 tonne/ha. The use of old seedling varieties, pest and weed invasion and low soil fertility has contributed to the low tomato yield.

Nigeria is one of the largest consumers of vegetable in Sub-Saharan Africa with about 22kg per capita. Specifically, Nigerians consume an estimated 2.3 million tonnes of tomatoes annually, with tomato consumption per capita at 12kg in 2016. However, domestic production minus the tomato wasted along the value chain is 1.3 million tonnes, which is not sufficient to meet the demand. Hence, the country continues to rely on tomato paste importation to meet the existing gap.

In 2017, about 45% of fresh tomatoes produced annually were lost. The postharvest losses can be attributed to poor supply chain management such as inefficient storage facilities and poor transportation systems. As a result, in 2016 and 2017, Nigeria imported tomato paste estimated at USD360m annually. In 2016, the country experienced a major pest attack, the tuta absoluta outbreak resulting in 80% tomato post-harvest loss. This resulted in shortage of tomatoes for the processing industry, a significant hike in the market prices and increased imports. High demand for imported tomato products makes the country vulnerable to changes in global prices. A significant hike in the price of tomato paste can result in food insecurity issues for the country's growing population.

Government Intervention:

Government is working towards increasing domestic production. In an effort to boost and increase domestic production, improve value and attract more investment, the Federal Government announced a new tomato policy in 2017. The policy aims to discourage importation by increasing tariffs on tomato concentrate from 5% to 50% and introducing USD1, 500 levy per tonne. Subsequently, the inclusion of tomato production and processing activities for investment incentives is a positive development. Incentives such as tax holiday and the introduction of zero percent import duty on greenhouse equipment are expected to increase investments in the tomato industry. Prior to the introduction of the policy, the industry experienced the exit of many industrial tomato processors. This was primarily driven by difficulty in sourcing local fresh tomatoes. Hence, there is also a need to attract investment towards improving production and reducing wastage along the value chain.

Tomato wastage occurs mainly at the processing, packaging and distribution stages which is due to lack of storage system, poor processing technology, and transportation system for the distribution of fresh tomatoes. Only 1% of tomato farmers in Nigeria use high breed seedlings, this is majorly attributed to fear of the unknowns, lack of effective communication and education.

A National Stakeholder Committee for the Governance, Promotion and Regulation of the Tomato Sector in Nigeria was inaugurated in February 2018 by the deputy Governor Kaduna State on behalf of His Excellency the Governor of Kaduna State, Mallam Nasir El-Rufai. The Committee was saddled with the responsibility of facilitate the stabilization of prices of fresh tomato across the country; promote continuous awareness and information dissemination to farmers. (i.e. Radio jingles and Text messages in local language), Advocate for the full implementation & enforcement

of the FG Tomato Policy, Strengthen value chain through best handling practices and preservation technology pre/post-harvest amongst others.

About NTSS 2019:

The summit will highlight the new direction of the tomato value chain following the commencement of the implementation of the new tomato production, address some key factors limiting investment in the tomato industry in Nigeria, proffer actionable solution options to pre and postharvest losses problems while also addressing production challenges faced by farmers. The summit will have in attendance key government officials, industry leaders, stakeholders, policy makers and partners in the tomato sector who share similar vision of developing and enhancing the tomato value chain in Nigeria and also to forge strategic partnership with local farmers and investors in the 12 largest tomato producing State's.

Summit Objective:

The conference will highlight the new direction of the tomato value chain following the commencement of the implementation of the new tomato production policy.

1. Present a 2018 Nigeria Tomato Scorecard.
2. Highlight the impact of the tomato policy on productivity and investment.
3. Showcase investment opportunities and highlight incentives available to investors.
4. Highlighting innovation in inputs that can improve yields and quality of produce.
5. Knowledge sharing on handling practices for tomatoes (harvest and Postharvest), in the light of a quality standards backlash from the EU on Beans.
6. Assessing commercial opportunities across various segments of the value chain.
7. Channel a roadmap to Self-Sufficiency & Elimination of Post-Harvest Loss in Tomato Value Chain including discussions on a structure to improve cold chain storage and transportation.
8. Evaluate the Impact of Value Chain Incentives to Rural Farmers including Women and Youth for economic growth and development.

Expected Outcome:

The expected outcomes of the meeting include:

1. Agree on roadmap to strengthen opportunities in tomato value chain towards a National self-sufficiency.
2. Improved knowledge of the tomato supply chain support to smallholder farms and delivery of produce to the processing facility.
3. Improving access to financial services for all value chain players and market access.
4. Increased knowledge of the input required for improved yields and quality of produce.
5. Improved understanding of the commercial value in tomatoes across the entire value chain.
6. A structure to deal with post-harvest losses through improved cold-chain distribution.