



Report on Joint Mission for Food Security and Market Assessment in Borno State, Nigeria.

Assessment team members;

Bulama Dauda: National Programme for Food Security (NPFS), Abuja- Nigeria .

Musa Sale: Borno State Agricultural Development Programme (BOSADP), Maiduguri- Nigeria.

February, 2017

Introduction:

The joint CILSS/WFP/FAO/FEWS NET/RESIMAO/ FMA&RD regional market assessment and monitoring is an annual activity aimed at assessing both the current and the expected market situation in the Sahelian part of the West African nations. The assessment covers all major market performance indicators such as: general information, supplies, stocks, transport systems, product flow, price analysis, demands and perspectives into the coming marketing calendar year.

Assessment objectives: The objective of this activity is to undertake market assessments and monitoring in order to detect and prevent possible market disruptions which could cause food and nutritional insecurity in the region.

The joint mission seek to monitor:

- The level of prices and their trend at the end of the season;
- The level of stocks at the market, institutional stocks and the direction of the main cross border influx according to the dynamics of supply and demand;
- The impact of institutional purchases on the functioning of markets;
- The provision of reliable data and information to the government structures of countries for the management of food and information to insure populations and agri-food market analyst in national and regional early warning systems in order to:
 - Alert decision makers in good time on appropriate measures to be taken before the deterioration of the situation and before the next wedding,
 - Provide a framework to guide food security interventions at national and regional level.

Assessment timeline and approach in Borno State: This assessment for the year 2017 was conducted in Borno State between 5th to 6th of February 2017. The Borno state Team covered two markets; one in Borno Central and the other one in Southern Borno. These markets currently serve for internal domestic food needs.

The specific markets visited and their classifications are as presented in the table below:

S/No	Market Name	LGA	Classification
1	Monday Market	Maiduguri Metropolitan Council	Multipurpose township market.
2	Kasuwan Shanu	Maiduguri Metropolitan Council	Multipurpose township market.
3	Biu Main Market	Biu	Multipurpose township market.

Main Report

General information on markets: The markets visited in the state are functioning at a relatively normal level with all market actors: merchants/traders, local consumers, foreigners consisting of sellers, buyers and transporters in full participation. The level of trade was low in Maiduguri market due to high cost of products. However, there was a slight improvement in Biu Market.

The main agricultural (food crops/lives stock) products dominant in the markets were Cereals (Maize, rice, sorghum, millet etc) and cash crops (Groundnut, Cowpea and soyabean). Yam and Cassava products were the major tubers with plantain on a limited scale due to non-production in the area. The common livestock in the markets were cattle, sheep and goat.

A. Supplies in the markets: During the assessment both food items and livestock area were visited. In Maiduguri metropolis, the main livestock market (Kasuwan Shanu) was also visited. The Biu market was not visited due to time constrained but information were obtained by proxy. The summary of each food group are as follow:

Cereals: The supply of cereals was decreasing in the two markets visited in Borno state due normal cultivation and harvest in most of the production areas in the state. Despite the improvement of security situation in the state, traders find it difficult to move their products to major markets which also have effect on supply.

Cash crops: The supply of cash crops in Maiduguri market have significantly decline when compared hither to normal situation. The situation in Biu market was different because a slight decrease in supply was observed. This is as a result of the inadequate production over the years in the areas.

Other commodities: The supply of cassava decreased significantly while yam and plantain increased due to stable supply over the years .

Livestock: The supply of both small and large ruminants to Maiduguri market was very low due to restriction of movement of livestock by the military across the borders between Borno state and the neighboring countries. In Biu market, the supply was also on the decrease but fairer when compare to that of Maiduguri market, this was as a result of supply from the locals.

B. Stocks: There were significant changes in stock across markets as observed last year where staple food still dominates. The break down by food groups is as follows:

Cereals: The stock of cereals continues to decrease over the years in the markets. Local rice only was observed to have an increase of about 15 to 30 percent in the current year.

Other commodities: In the markets visited, traders are not in the habit of storing tubers and other commodities due to their low shelf life.

Cash crops: The stock of cereals continues to decrease over the years in the markets even though, maize maintains lead across markets. The increase was hampered by lack of full scale production over the years in the area as a result of security challenges. As regard cash crops, cowpea and groundnut are on a high place, Sesames and soyabean are moderately stocked.

C. Transport: The major means of transportation remains the same as it was last year where trailers and pickup with capacity ranging from 4 to 30 tons dominate.

D. Product flow (Sources): The main sources of products to the market are constant; mainly locally and nationally depending on each food groups:

Cereals: The sources of supply in Maiduguri market are both local (Biu and Askira Uba) and National (Gombe, Taraba, Kano and other parts of the country). While in Biu market, the major source of supply was local (Shaffa, Kwaya Kusar, Miringa, Bargu and Marama)

Other Commodities: This comprises of Yam and plantain in the market visited. Both commodities are sourced completely from other parts of the country.

Cash Crops: The source of cash crops in Maiduguri market is mainly national (60%) and local (40%). In the case of Biu market 100 percent is sourced locally.

Livestock: In both markets, livestock supply shows heavy reliance on local sources. This was due to restriction of movement of livestock by the military across the broader of neighboring countries.

E. Destination/Demand analysis:

Cereals: Most of the cereals like maize, millet and local rice goes for local and national demand.

Other products: The destination of Yam and plantain is 100 percent local.

Cash crops: The destination of most cash crops is a fair share between local and national. However supply to kano may end up in neighboring country like Niger.

Livestock: The destination of livestock from Maiduguri is mainly national (70%) while that of Biu market is 100 percent local. However, local consumption/demand is decreasing.

F. Demand analysis: In the markets visited, it was observed that the aggregate demand in the market was general lower. This can be traced to high price and low purchasing power among the consumers.

G. Labour distribution: The labour distribution and usage in the markets surveyed shows that local labour constitutes 100 percent of the work force.

H. Price analysis: The general price analysis shows a sharp increase in prices across all items in the markets. The trend of prices shows higher prices than last year and also higher than the usual long term prices. This could be attributed to increased in cost of production, livestock feeds, transportation cost and currency exchange rate between the Nigerian naira and other foreign currencies.

I. Perspectives: The perspectives is an expert/stakeholders outlook/opinion on supply, demand and prices into the coming months of July/Aug 2017 and the summary is as presented below:

Supply: The supply of cereals, tubers, cash crops and livestock will decrease in the markets by July/Aug 2017 ranging between 15 to 30 percent.

Demand: During the lean season demand for cereals will increase because most consumers have exhausted their stock and the farms are not ready for harvest. Demand for other items like tubers, cash crops and livestock's will be moderately low across markets.

Prices: There will be a general increase in prices for all items in the markets during the lean season ranging from 15 to 30%.

Prices of Commodities in the Markets visited

Maiduguri

Currency: Nigerian Naira (N)

NB: These are Average Prices

Product	Wholesale Price (bag 100kg, Gallon 20litres)			Retail Price (Kg, litre, head)		
	Current prices	Last year prices	Usual Price, Same period	Current prices	Last year prices	Usual Price, Same period
Millet	15,000	7,300	5,500	133.33	60.00	48.33
Maize	15,000	7000	5,500	142.86	57.14	51.79
Sorghum	15,000	8000	5,000	137.93	110.34	68.97
Local rice	30,000	18,000	15,000	266.67	166.97	133.33
Imported rice (50kg)	14,500	12,500	9,500	333.33	183.33	166.67
Wheat flour (50kg)	14,500	8,500	6,500	363.64	170.45	135.36
Cowpea	28,000	15,000	12,000	216.67	166.67	133.33
Groundnut	25,000	14,000	8,000	310.34	172.41	137.93
Sesames	29,000	15,000	12,000	266.67	133.33	83.33
Palm oil	18,000	9,000	7,000	850	400	300
Plantain	16,000	19,000	7,500	120	130	45
Sheep				17,500	11,500	7,500
Goat				15,000	8,500	6,000
Cattle				140,000	75,000	75,000
Camel				225,000	-	125,000

Biu Market

Currency : Nigerian Naira (N)

NB: These are Average Prices

Product	Wholesale Price (bag 100kg, Gallon 20litres)			Retail Price (Kg, litre,head)		
	Current prices	Last year prices	Usual Price, Same period	Current prices	Last year prices	Usual Price, Same period
Millet	13,000	6,000	5,000	133.33	50.00	133.33
Maize	12,500	6,000	5,000	142.86	53.57	50.00
Sorghum	12,500	6,000	5,000	137.93	51.72	48.28
Local rice	28,000	20,000	15,500	266.67	166.67	116.67
Imported rice (50kg)	17,000	12,000	10,000	266.67	166.67	116.67
Wheat flour (50kg)	13,000	6,500	6,500	295.46	181.82	90.91
Cowpea	24,000	15,000	10,500	216.67	166.67	116.67
Groundnut	26,000	16,000	12,500	241.38	172.41	120.68
Sesames	28,000	13,000	9,000	233.33	200.00	133.33
Palm oil	17,000	9,000	7,000	800	600	400
Yam	45,000	32,000	13,500	200	150	100
Plantain/head	1,700	1300	1100	150	100	80
Sheep				20,000	15,000	10,000
Goat				15,000	12,000	8,000
Cattle				200,000	115,000	80,000

Challenges

Some of the problems faced by the traders in the markets visited include;

- High transportation cost
- Road Harassment and taxes
- Despite the improvement in security, the fear of being attack is an issue. Safety of traders cannot be guaranteed as some pockets of violence and terror attacks still occur.

- Bad road conditions
- Poor harvest have also affected the prices of some food product
- Limited purchasing power of the households
- Lack of standard measure
- Poor record keeping by most of the traders

Recommendations

For the markets to function to its optimal capacity, there is need to;

- Construct/rehabilitate major roads,
- Make policy that will curb road harassment and extortion in the guise of taxes,
- Apply a better strategy of managing the security situation where restriction of livestock and other items to neighboring countries will be allowed.
- Introduce policies that will improve the naira exchange rate to order currencies, thereby increasing the purchasing power of household.
- Increase awareness of citizens on the importance and use of locally made products
- Sensitize farmers on modern farming practices and technologies.

Conclusion

The markets are not operating to their full capacity due to the challenges mentioned above but if those recommendations are but in place, there will be great improvement in the market operations.