



# **Report on Joint Mission for Food Security and Market Assessment in Yobe State, Nigeria.**

## **Assessment Team Members;**

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## 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 disruption, which could cause food and nutritional insecurity in the region.

The joint missions 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 the government structures of the countries 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 Yobe State:** This assessment for the year 2017 was conducted in Yobe State between 6<sup>th</sup> and 7<sup>th</sup> of February 2017. The Team to Yobe state covered two markets; one in Damaturu and the other one in Potiskum. 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    | Damaturu Sunday market    | Damaturu Metropolitan Council | Multipurpose township market. |
| 2    | Potiskum grain market     | Fika                          | Grain Market                  |
| 3    | Potiskum Livestock market | Fika                          | Livestock 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) all in full participation. The level of trade was fair in Damaturu while in Potiskum is relatively normal.

The main agricultural/food products dominant in the markets are Cereals (Maize, rice, sorghum, millet etc) and cash crops (Sesame, Groundnut, Soyabean and Cowpea). The major tuber in the markets visited was yam. The common livestock in the markets were cattle, sheep and goat with few camels in potiskum livestock market.

**A. Supplies in the markets:** During the assessment both food items and livestock markets were visited. However, in Potiskum the market are in different location. The summary of each group food groups are follows:

**Cereals:** Currently, the supply of cereals was in the increase in the two markets visited however when compare to last year it is decreasing in Potiskum market. In Damaturu market, the current supplies is very weak when compare to normal situation. This was attributed to decrease in the number of households involve in farming in those areas. The situation in Potiskum market is stable when compare to normal period except for local rice which has decline due to below normal cultivation.

**Cash crops:** The supply of Cowpea and Sesame are on the increase while groundnut and soya bean are decreasing in Damaturu market currently. In Potiskum, the current supply of major cash crops is increasing; traders attributed this to the relative peace experience in the area. A decrease in supply was observed when compare to last year within the same period in Potiskum market and Damaturu. The supply of sesame however remain stable in Damaturu but the supply is very weak in the two market when compare to normal situation. This was as a result of the inadequate production over the years in the areas.

**Other commodities:** The supply of yam decreases over the years due to decrease in number of traders supplying the commodity and also decrease in demand due low purchasing power.

**Livestock:** The current supply of both small and large ruminants in Damaturu and Potiskum markets was very low due to closure of most livestock market in the state and restriction of trans-border trade with Niger republic by the military. However there is a slight improvement in Potiskum market when compare to last year of the same period. The situation in both market show a sharp decrease when compare to normal period.

**B. Stocks:** There are changes in stock across markets as observed last year, cash crops dominate. The break down by food groups is as follows:

**Cereals:** The stock of cereals in the current period increases when compare to last year of the same period in both markets. The level of stock in Damaturu market is low when compare to the normal period while in Potiskum it remains stable. It was observed that sorghum has increased to about 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:** In the current period, the stock of cash crops like groundnut, cowpea and sesame are on the increase. This was attributed to high cost and low demand to the products. However, at Potiskum market, it shows a decline when compare to last year of the same period but increased in Damaturu market. Also, it is stable in Potiskum market when comparing the current period with the normal situation whereas in Damaturu Cowpea and groundnut shows a decline. These were attributed to high prices, inadequate production and security challenges.

**C. Transport:** The major means of transportation are trucks and pickup with capacity ranging from 4 to 9 tons in both markets. Trailers are also used in Potiskum market for transporting goods to other states.

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

**Cereals:** The main source of supply to Damaturu market are both local (Gujiba, Gashua and Buni yadi) and National (Borno, Gombe and Kaduna states). In the current period, local sourced for sorghum is 50%, Millet 30% and local rice 40%. About 50% of Maize was sourced nationally. These shows an increase in the source of cereals to the market when compare to last year and normal period. However in Potiskum market, the major source of supply was local (70%) and National (30%). The trend remain constant over the years according to the traders interviewed.

**Other Commodities:** The major staple product are yam and the main source is national (100%)

**Cash Crops:** The source of cash crops during the current period in both markets is local. Damaturu market local (60%) and national (40%) while Potiskum market local (80%) and national (20%).

**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. In both markets, 100 percent of the small ruminant is sourced locally while 10% of cattle is source nationally. The few camels that were seen in Potiskum market 70% was sourced from the state in Garin Alkali while 30% from Bauchi state.

**E. Destination/Demand analysis:**

**Cereals:** In the market visited, most of the cereals like Sorghum, Maize, Millet and rice goes for local (70%) and national (30%) Damaturu currently while in Potiskum market local (60%) and national (40%) .

**Other products:** The destination of Yam in Potiskum market is 70% local and 30% national the trend have been constant over the years .

**Cash crops:** In current period the destination of most cash crops in Damaturu is 80% national while in Potiskum market is 40%.

**Livestock:** The destination of livestock from Damaturu is mainly national (70%) while that of Potiskum market Camels, cattle's and small ruminants is 100%,70% and 40% respectively. However, local consumption/demand is decreasing due low purchasing power.

- F. Demand analysis:** In the markets visited, it was observed that the aggregate demand in the market was generally lower. This can be traced to higher price and lower purchasing power among the household.
- 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 showed a sharp increase in prices across all items in the markets. The trend of prices showed higher prices than prices of 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 between Nigerian naira with 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

### Damaturu

**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               | 13,500                                       | 6,000            | 4,000                    | 133.33                         | 83.33            | 43.33                    |
| Maize                | 15,000                                       | 5,000            | 4,500                    | 142.86                         | 107.14           | 71.43                    |
| Sorghum              | 13,000                                       | 3000             | 3000                     | 133.33                         | 100.00           | 60.00                    |
| Local rice           | 28,000                                       | 11,000           | 11,000                   | 283.33                         | 100.00           | 83.33                    |
| Imported rice (50kg) | 36,000                                       | 14,000           | 12,000                   | 400.00                         | 133.33           | 83.33                    |
| Wheat flour (50kg)   | 11,500                                       | 10,500           | 7,000                    | 363.64                         | 227.27           | 113.64                   |
| Cowpea               | 22,000                                       | 10,000           | 6,000                    | 216.67                         | 116.67           | 83.33                    |
| Groundnut            | 25,000                                       | 12,000           | 9,000                    | 241.38                         | 172.67           | 83.33                    |
| Sesames              | 32,000                                       | 9,000            | 7,500                    | 300.00                         | 166.67           | 116.67                   |
| Sheep                |                                              |                  |                          | 25,000                         | 20,000           | 9,000                    |
| Goat                 |                                              |                  |                          | 15,000                         | 11,000           | 7,000                    |
| Cattle               |                                              |                  |                          | 110,000                        | 65,000           | 70,000                   |

## **Potiskum**

**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     | 14,500                                       | 6,500            | 5,000                    | 116.67                         | 50.00            | 26.67                    |
| Maize      | 14,500                                       | 7,000            | 4,500                    | 135.71                         | 89.29            | 42.85                    |
| Sorghum    | 12,500                                       | 6,000            | 4,500                    | 120.69                         | 51.72            | 27.59                    |
| Local rice | 29,000                                       | 15,000           | 10,000                   | 283.33                         | 200.00           | 16.67                    |
| Cowpea     | 22,000                                       | 17,000           | 10,000                   | 200.00                         | 133.33           | 83.33                    |
| Groundnut  | 22,000                                       | 12,000           | 8,000                    | 206.89                         | 103.44           | 75.86                    |
| Sesames    | 32,000                                       | 20,000           | 13,000                   | 266.67                         | 116.67           | 83.33                    |
| *Yam       | 29,000                                       | 29,000           | 12,500                   | 300                            | 300              | 150                      |
| Sheep      |                                              |                  |                          | 20,000                         | 15,000           | 10,000                   |
| Goat       |                                              |                  |                          | 15,000                         | 10,000           | 5,000                    |
| Cattle     |                                              |                  |                          | 150,000                        | 90,000           | 70,000                   |
| Camel      |                                              |                  |                          | 100,000                        | 75,000           | -                        |

NB: Yam was not weigh, so it will be difficult to give the kg price.

## **Challenges**

Some challenges faced by the traders in the markets visited include;

- High transportation cost
- Road Harassment
- Despite the improvement in security, insecurity still remains an issue especially the fear of suicide bombers. This is detrimental to the development of trade.
- Bad road conditions
- Poor harvest have also affected the prices of some food product
- Limited purchasing power of the households

## **Recommendations**

In order for the markets to function to its optimal capacity there is needs to;

- Construct/rehabilitate major roads
- Make policy that will curb with road harassment by security agencies and tax officials
- Think of a better way 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 the awareness of its citizens on the importance use of locally made products
- Sensitize farmers of modern farming practices

## **Conclusion**

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



