

COMMUNIQUE

As part of its statutory functions, the National Sugar Development Council (NSDC), Abuja organized a Sugar Sensitization Workshop for the Northern Region held on **Thursday 18th August 2016**, at **Giginya Coral Hotel**, Western By-pass Road, Sokoto, Sokoto State. The theme of the workshop was “**Sustaining the Gains of Nigeria Sugar Master Plan (NSMP) for National Self-Sufficiency in Local Sugar Production**”.

2. The Northern Region Sensitization Workshop was declared opened by **Her Excellency**, the wife of Sokoto State Governor, **Hajiya Mariya Aminu Waziri Tambuwal** and was chaired by **Honourable Abubakar Husaini Moriki**, Chairman House Committee on Industry, National Assembly Complex, Abuja while the **Special Guest of Honour** was **Hajiya Aisha Abubakar**, Honourable Minister of State, Federal Ministry of Industry, Trade and Investment, Abuja. Chief Host **Mr. Samuel Ali Kwabe, the Acting Executive Secretary, NSDC** delivered the Welcome Address while the Lead Paper titled: “**Nigeria Sugar Master Plan (NSMP) Implementation from 2013 to date**” was delivered by **Mallam Mohammed Jika**, Director Technical Services, National Sugar Development Council Abuja.

3. Goodwill Messages were delivered by the following important dignitaries:

- **Alhaji Aminu Bello Sokoto**, Honourable Commissioner, Ministry of Commerce and Industry Sokoto State.
- **Hon. Abubakar Yusuf**, Honourable Commissioner, Ministry of Commerce & Industry, Katsina State.
- **Mr. Andrew Baker**, Agricultural Manager, Sunti Golden Sugar Estates, Sunti, Niger State
- **Alhaji A.B. Jauro**, Managing Director, Kelele Nigeria Limited, Yola.
- **Mr. Alexis Aligbe**, Managing Director, Molindex Nigeria limited, Benin
- **Dr. Tersoo Kparai**, Honourable Commissioner, Ministry of Commerce and Industry, Benue State

4. Participants at the Forum were drawn from both private and public sectors in the Northern Region of the Nigerian economy. Notably in attendance were Technocrats, Academia, Sugarcane Farmers/Outgrowers, Sugar Refiners and Marketers as well as Captains of Industries etc. Representatives of sister

Federal Government Parastatals such as SMEDAN, BOA, NAIC and NAFDAC were also in attendance.

5. Four (4) Papers were presented at the sensitization workshop as follows:
 - i. Sugarcane Outgrowers Development – A practical Experience by **Dr. Silas Agbana**, General Manager, Confluence Sugar Company, Ibaji, Kogi State.
 - ii. Funding Investment in Sugarcane-Sugar Value Chain for Self-Sufficiency in Local Sugar Production: The Role of Development Financial Institutions (DFIs) by **Professor Danbala Danju**, Managing Director, Bank of Agriculture who was represented by **Mallam Mohammed Abdullahi Galadima**, Director, Bank of Agriculture, Sokoto State.
 - iii. Addressing the Seed Cane Requirements of Local Sugar Industry – Bio-Technology to the Rescue by **Dr. Shola Odusanya**, Scientific Consultant, Bio-crops, Biotech Company Limited, Abuja
 - iv. Sugarcane Agro-Industry: Driving Sustainable Economic Development through Innovation by **Mr. Alexis Aligbe**, Managing Director, Molindex Nigeria Limited
6. After a lively deliberation on the various papers presented by the Resource Persons; the following resolutions were reached:
 - i. Participants commended NSDC for organizing the Regional Sugar Sensitization Workshop to update the Stakeholders on the gains of NSMP implementation and noted that the outgrower component which is to provide 40% of sugarcane required for processing by sugar estates was a good component of the NSMP. They noted however that, for it to be successfully implemented in Nigeria, there would be the need to increase the frequency of the enlightenment campaign so as to further sensitize and decentralize the benefits to the grassroots level;
 - ii. Stakeholders urged that the zonal offices of the Council should be made more effective in order to reach out to the local sugarcane farmers and State Governments within the zones with a view to sensitizing them on the potentials that exist in the States;

- iii. In order to avoid the wastages /or loss of investment at the production and processing levels, NSDC was advised to develop a checklist of the sugar production requirements to serve as a guide to both investors and outgrower farmers alike. Farmers will not embark on sugarcane production if there is no off-taker and investor will not put his factory where sugarcane supply is not guaranteed;
- iv. Participants also advocated for good management of individual sugarcane outgrower operators and factory processors in a professional and efficient manner so that production of sugarcane is optimized;
- v. Stakeholders craved the indulgence of the Council to create a more conducive working environment between State Governments and NSDC/investors to serve as platform for investment promotion and synergy towards the realization of the laudable objectives of the NSMP;
- vi. Participants also noted that acquisition of land is a major obstacle to the implementation of NSMP and therefore, called on all State/Federal Governments to play their roles to ensure that land is accessible to all potential investors through NSDC.
- vii. Participants noted that the implementation of Zero percent (0%) duty on machinery as a fiscal incentive provided for in the NSMP was not being faithfully implemented by the Nigerian Customs Service which often times apply required duty payment on imported sugarcane farm/field development machinery and expressed the need for NSDC to intensify efforts to promote synergy between governmental agencies using instrumentality of the Sugar Road Map Implementation Committee (SURMIC) so that the objective/implementation of the NSMP would not be stalled.
- viii. Stakeholders noted that the risk associated with investment in the sugarcane to sugar value-chain is enormous and requires that a conscious partnership be formed with Nigeria Agricultural Insurance Corporation (NAIC) to mitigate/minimize loss due to natural disasters such as fire, flood etc;

- ix. Participants noted that the provision of funding and its accessibility should be taken more seriously. They commended the initiatives of NSDC for collaborating with BOA and BOI to set up a Managed Fund Agreement (MFA) but noted that the available funds are still insufficient to cater for investment in the sector. They however, called on NSDC to strengthen the existing funding mechanism with BOA/BOI in order to increase the level of available funds at a lower interest rate to prospective investors;
- x. They also advocated for the development of more products by BOA and BOI and encourage State Governments to set aside funds for Sugar Development, as well as engaging with outgrowers to address the issue of collateral and upgrading their farming practices from subsistence to commercial farming;
- xi. Stakeholders called on the Legislative Arm of Government to articulate policies that would enable farmers to come together to access available facilities. They also observed that so far NSDC has done well in the implementation of the NSMP and therefore, enjoin the National Assembly to enact laws or amend the existing laws to adequately address the mandate of automotive fuel ethanol production. They, however, acknowledged the position of ethanol as a by-product of sugarcane in the value-chain in the implementation of the NSMP
- xii. Participants expressed satisfaction with the quality of attendance including the proceeding at the workshop, and enjoined NSDC to update stakeholders regularly to enable them keep pace with what is being achieved during these years of NSMP Implementation.

**National Sugar Development Council,
Abuja
18th August, 2016**