Sorghum value chain in Nigeria: exploratory study of dynamics at farmer level

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- Sorghum has become a major element of producing beer and malt by companies like Nigeria Breweries (NB), partly owned by Heineken.

- Researchers from the ASCL and Nigerian academic institutions interviewed six vendors from Kaduna and Kano state, administered a questionnaire survey among 433 farmers and focus group discussions (FGD) with sorghum farmers in the six sorghum-producing states. This culminated in the report of research findings on the key social, economic, and agronomic dynamics in communities whose livelihoods depend predominantly on the farming of sorghum in northern Nigeria. Two main farmer-actors are active in the sorghum supply chain: regular farmers' and 'aggregator-farmers'. The former group, based on size of farmland are smallholder farmers I (< 5 ha), smallholder II (6-10 ha), smallholder III (11-20 ha), middlerange (21-200 ha) and large scale farmers with land over 201 ha. The 'aggregator-farmer' group consists of vendors and aggregators who combine other commercial activities with sorghum farming.

- Sorghum farming has become a commercial activity for all aggregator-farmers and regular farmers; over 80% of their harvest is for sale, while the rest is reserved for household consumption. Capacity to deliver expected volumes to industrial buyers was boosted. Aggregator-farmers were motivated to expand their hectarage because of 'easier agricultural practice', while the catalysts for regular farmers include better prices and a ready market for their produce.

- On the positive side, vertical integration of farmers has increased. But the emergence of large farms has implications for increased demand for labour & labour rights risks; smallholder access to industrial markets; attention to productivity and farming practices in view of increasing industrial demand.

Research Methods

433 Survey questionnaires

Interviews with vendors, farmers and key stakeholders

Focus group discussions

Respondents

Aggregator-farmer

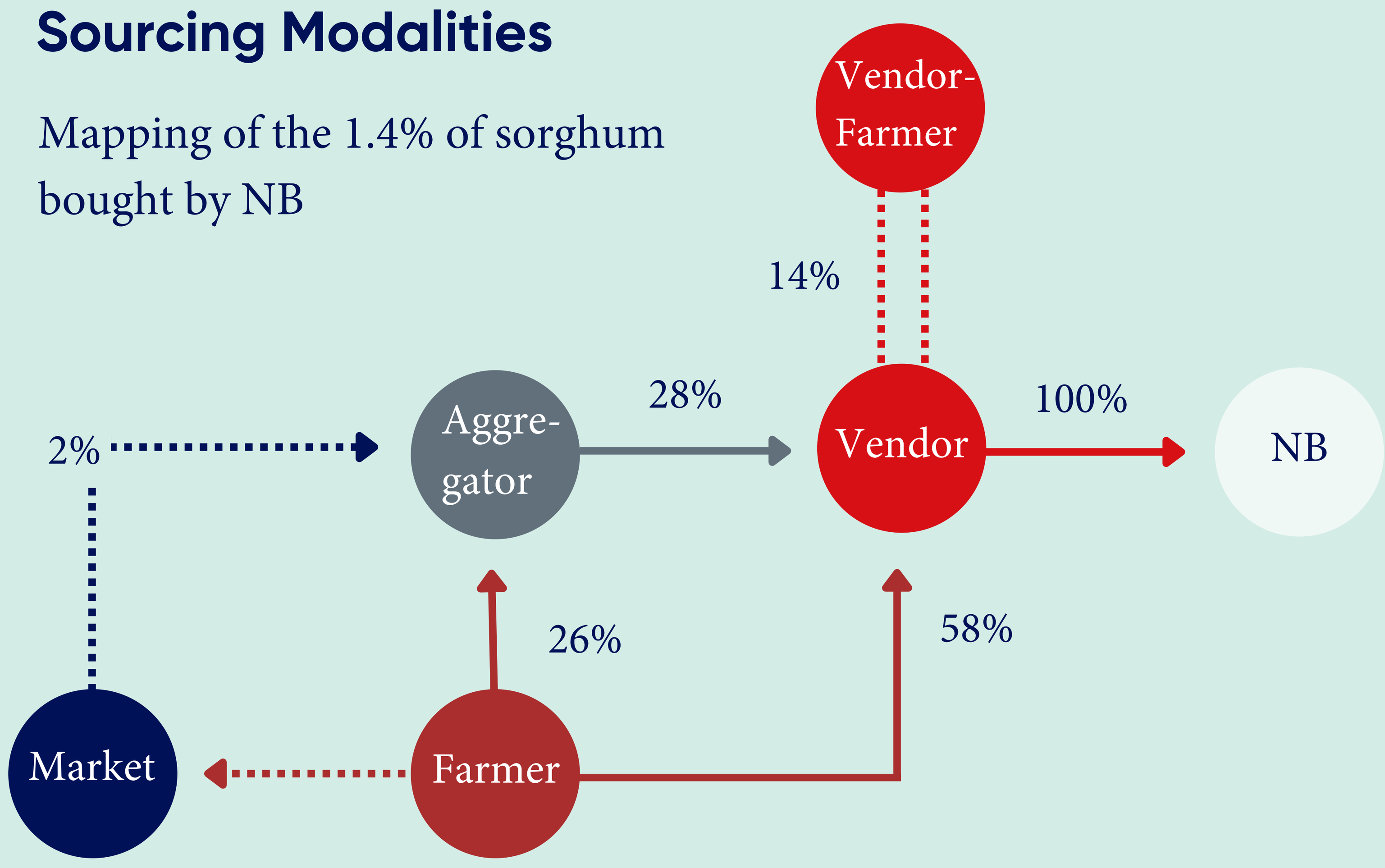
Number of farmers in the study:	27
Average land size (ha):	107
Average income from sorghum (₦)/ha:	77,118

Regular farmer

Number of farmers in the study:	406
Average land size (ha):	44.6
Average income from sorghum (₦)/ha:	65,943

Sourcing Modalities

Mapping of the 1.4% of sorghum bought by NB



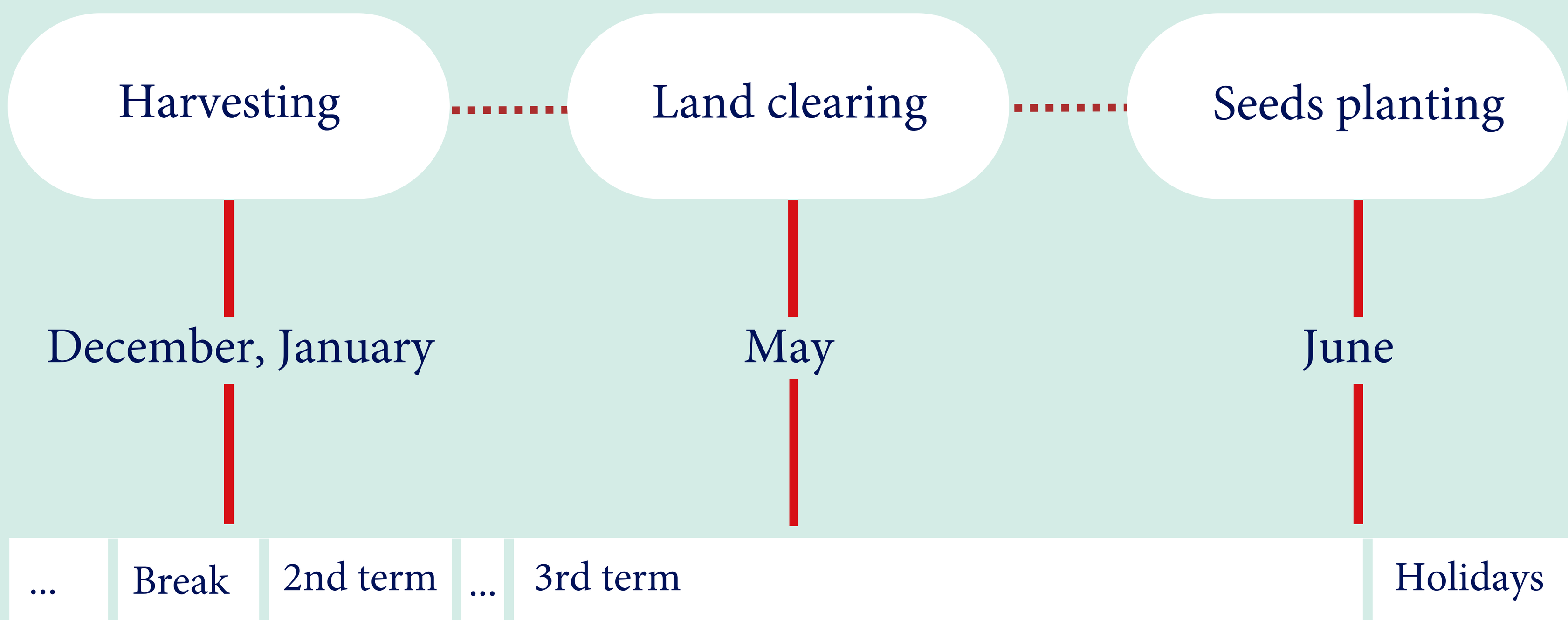
Farmers -> vendors -> NB Plc
Farmers -> aggregators -> cendors -> NB Plc
Farmers -> market -> aggregators -> vendors -> NB Plc
Vendors own farms -> NB Plc

Reliance on family labour

There are no costoms restricting children in helping on the farm. 60% of all the farmers engage their children (7-15 v.o.) in farm work. This includes helping with land preparation, sowing and briging food to the field.

Lack of alignment between school and agricultural calendars creates risk of children missing school at key periods.

2018



Study Highlights

Sorghum contribution to annual revenue

66% For aggregator farmers

70% For regular farmers

Sorghum farming has become a commercial activity for all farmers participating in this study