

Fertilizer Producers & Suppliers Association of Nigeria

F E P S A N

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R-L: President Muhammadu Buhari, Delegate to the Minister of Foreign Affairs and Cooperation and Moroccan Special Envoy, Nasser Bourita, Director Yassine Mansouri and Moroccan Ambassador to Nigeria, Mr Mosidfa Bouh during an audience with the President at the State House in Abuja.

Despite its over 100 years' existence as a nation, President Muhammadu Buhari said the situation in the country is like Nigeria was starting all over again.

He said there was a time in the history of the country that there was so much money that successive governments took things for granted.

According to a statement by his Special Adviser on Media and Publicity, Mr. Femi Adesina, the President spoke while receiving Ambassador Nasser Bourita, a Special Envoy of King Mohammed VI of Morocco, at the Villa, Abuja.

He said his administration was only "managing" because of the sharp drop in price of oil.

President Muhammadu Buhari said, that was why the Federal Government was in a hurry to see projects take off in the agricultural sector to enhance food security and create jobs for teeming unemployed Nigerian youths.

"For us in Nigeria, it is like starting all over again. There was a time we had so much money and took things for granted. But with the fall in the international price of oil, we are now managing," the President said.

Buhari welcomed the plan by Morocco to establish a fertilizer plant in Nigeria, which would not only serve the country, but the entire West African sub-region. The envoy, who is also Minister Delegate for Foreign Affairs and Cooperation, said his country had developed strategy to deal with religious extremism, and had largely been successful in fighting terrorism. *Culled from the Nation Newspaper*

Fertilizers now beyond the reach of small scale farmers

FEPSAN collects bi weekly fertilizer market prices from selected markets across 13 States of the federation. Our data collectors have reported that this year supply of fertilizers is very low and prices have never been so high in the last several years. (See summary prices and comments on page 4). In the case of a farmer in Zamfara state when asked, he said 'I couldn't buy a single bag of fertilizer because of high price, even organic manure is expensive. I only use the manure from animals in my house and scout around drainages to pick the rotten debris and take it to my farm; this is what I use as an alternative to fertilizer just to manage the situation'. **FEPSAN**

Vice President Yemi Osibanjo meets NABG and Agric Input and Services Stakeholders

His Excellency Prof. Yemi Osinbajo, Vice President Federal Republic of Nigeria invited the Nigeria Agribusiness Group (NABG) and agric input and services stakeholders to a face-to-face meeting on matters affecting agribusiness in Nigeria. The meeting took place on 14th June 2016 at the Presidential Villa, Abuja.

Attendees were given the opportunity to interact with the VP, identify several issues facing agribusiness development in Nigeria and sought government intervention to removing these constraints. The meeting lasted for about 2 hours. Most of the constraints centered around the challenges faced in the development and advancement of input and output markets opportunities including financing, infrastructure, security of supplies to meet the demand of producers and processors, policies and regulations, taxation, government coordination, research and development, extension support services, etc. In response to the robust meeting interactions, the Vice President announced his willingness and support to engage with NABG in proffering solutions to diversification of Nigeria's economy in three key areas of priority as follows:



Prof. Yemi Osibanjo, Vice President Federal Republic of Nigeria

1. Agric input and services.
2. Financing
3. Pests and Disease Epidemic.

Other areas of constraints will be prioritized for intervention upon the successful resolution of these initial priorities.

The vice president who was pleased with the interactions further directed that a position paper be prepared and ready for presentation to the Economic Management Team (EMT) and the National Economic Council (NEC) with a home grown solution to address these challenges in the areas of priorities. **FEPSAN**

AGRA partners with FEPSAN on fertilizer policy and Regulatory reforms



Fertilizer Distribution

Alliance for a Green Revolution in Africa (AGRA), a program of the Bill & Melinda Gates Foundation has awarded a project support grant to the Fertilizer Producers and Suppliers Association of Nigeria (FEPSAN), to carry out the project titled "articulating, Monitoring and Supporting Implementation of Fertilizer Policy and Regulatory Reforms in the

Federal Republic of Nigeria" which aims to measurably improve policy and regulatory environment to promote investment in agribusiness that innovate, import, blend, manufacture and distribute fertilizer in agricultural value chain of small holder farmers in Nigeria.

The project is expected to cover a period of 30 months starting from May 15th 2016 to November 18th 2018 or a period of 30 months from its actual take off. Already, the Award Agreement has been signed by the President of FEPSAN, Mr. Thomas Etuh on the 14th of June 2016, to mark the commencement of the project.

AGRA works to achieve a food secure and prosperous Africa through the promotion of rapid, sustainable agricultural growth based on smallholder farmers. AGRA aims to ensure that smallholders have what they need to succeed: good seeds and healthy soil, access to markets, information, financing, storage and transport; and policies that provide them with comprehensive support. **FEPSAN**

IFC invests \$74m in OIS Indorama to boost fertilizer export

The International Finance Corporation, IFC, a member of the World Bank Group, granted a \$73.5 million loan facility to OIS Indorama Port Limited for the development of a multi-purpose port terminal at Onne in Port Harcourt, Rivers State to boost Nigeria's fertilizer export. IFC, in a statement in Abuja, said the total cost of the project is \$150 million, it is providing a \$73.5 million debt package, comprising \$52.5 million of its own funds and a \$21 million parallel loan mobilized from a commercial bank, while Rand Merchant Bank is providing an additional \$31.5 million loan. Indorama automated Port's material handling systems is in the process of being commissioned with loading of the first vessel expected in mid-July 2016.

According to the IFC, it will serve as a platform for direct exports of fertilizer, generate critical foreign exchange and help the country diversify from dependence on crude oil exports. The Port is located about 16 kilometers south-east of the Eleme Fertilizer plant with a 295-meter multipurpose jetty, storage facilities for 45,000 mt urea. the port terminal will have the capacity to handle up to two million tons per annum of dry bulk urea exports, 12,000 twenty-foot equivalent units of containers and 150,000 pieces of break bulk cargo per annum.



INDORAMA port terminal project Port Harcourt, Nigeria

Commenting on the deal, Manish Mundra, Managing Director of Indorama Nigeria, said, "This project will boost development in the maritime sector and demonstrate our determination to support economic development in Nigeria and help ensure the success of our investment in our urea facility"

Indorama Port is a joint venture between Indorama Eleme Petrochemicals Limited and Oil and Industrial Services Limited.

Culled from Vanguard News paper

Dankwambo warns against diversion of fertilizer in Gombe



Gombe State Governor; Ibrahim Hassan Dankwambo

Gombe State Governor, Ibrahim Hassan Dankwambo has warned farmers in the state against diverting fertilizers distributed for the 2016 farming season.

Speaking during the distribution and sales of 20,000 metric tonnes of assorted fertilizers to farmers in the state for the 2016 farming season, the Governor noted that the present administration since from 2011 has procured over 120,000 metric tonnes of fertilizer.

"I would like to reiterate my commitment to ensuring that the fertilizers procured reach the grassroots. This informed my approval of the distribution method that captures adequately our small, medium and large scale farmers and the method will in no small measure, impact on the productivity of our farmers, most especially the small scale products", Dankwambo said.

The Governor further urged the farmers to take advantage of government huge spending in the agricultural sector to increase productivity, adding that with the sharp drop in oil prices in the international market and activities of militants in the Niger Delta and the impact of those on the nation's economy point to the need to develop the agricultural sector to reduce dependence on oil. Also, the state Commissioner for Agriculture, Dahiru Buba Biri said that his ministry has captured 10 small scale farmers in each of the 2218 polling units in addition to the 1140 medium and 154 large scale farmers that were registered and benefited last year.

He added that 22,180 small-scale farmers in the state will be allocated 5 bags of fertilizer each which they will redeem through their cell phones.

Culled from Nigeria Today

Fertilizer Market Report July 2016

Summary of Local Fertilizer Market Prices

The average fertilizer prices across the states increased by 7.93% for Urea, 7.19% for NPK and 41.33% for SSP compared to average fertilizer prices of June, 2016. Average fertilizer price of NPK is now 29.63% higher, Urea is 40.04% higher, SSP is 34.55% higher compared to July, 2015. The available fertilizer brands in the market were Golden, Tak-Agro, Solar, Afcott, Ebonyi Fertilizer, Notore, Superphosphate Fertilizer, Wacot, Elephant, Indorama, Bauchi Blend, Stallion, Kaffo Mines, Olam, Diamond, MBS Merchants, Betta and Springfield.

Farmers and Agro dealers' views on the Fertilizer Market Situation

Kano state agro dealers complained of high cost of fertilizer. Niger state agro dealers said fertilizer prices is on the high side. Oyo state agro dealers complained of Urea shortage in the market. Kaduna state agro dealers reported low sales due to high fertilizer prices. Taraba state agro dealers complained of high fertilizer prices caused by high transportation cost. Zamfara state agro dealers said high cost of fertilizer caused by activities of the middle men made them to reduce the quantity procured. Bauchi state agro dealers want government to provide soft loans for improved business environment. Benue state farmers lament difficulties in accessing loans to purchase the required fertilizer needed. Ebonyi state farmers complained of lack of finance to purchase fertilizer. Ekiti state farmers complained of high cost of fertilizer.

Brief on GESS and other agricultural activities

In Bauchi state, the federal government paid agro dealers about 30% of the outstanding debt for 2014 GES program. The state government launched fertilizer subsidy programme for farmers at the rate of N4, 000 for NPK and N4, 500 for Urea. Ebonyi state rice farming activities is ongoing. Edo state is registering farmers for the anchor program of CBN. Ekiti state stakeholders urge the state to invest in large scale farming to increase the state internally generated revenue. Imo state government is working towards commencement of the youth empowerment in agriculture. Kaduna state anchor borrower program had commenced with the distribution of inputs to farmers. The state subsidized fertilizer is sold at N4, 200/bag. In Niger state raw materials research institute distributed improved cotton seeds to farmers. In Oyo state federal government paid about 25% of outstanding debt to agro dealers for 2014 GES program. In Taraba state an association distributed improved rice and maize seeds to farmers

International Fertilizer Prices as at 13th July 2016

S/N	Fertilizer Types	Price (US\$ /ton)
1	Urea Prilled	361
2	DAP	469
3	MAP	496
4	MOP	359
5	Ammonia	554
6	UAN 28	261
7	UAN 32	304

While the 2016 growing season is nowhere near complete, some producers have already begun to focus on fertilizer needs for the 2017 crop. Some have already locked in prices for the next crop. One Illinois farmer, who asked that his name not be used, already has locked in potash prices for the next growing season. He has pre-ordered about two-thirds of his potash needs for the upcoming crop. "Potash is at the lows from the last six or seven years," he said. "At this level it is very profitable for us, so we locked in about a month ago." The farmer said he locked in potash for around \$225 per ton. Last year it was closer to \$300 to \$325 per ton in his area. He will lock in more potash "soon," he said. He also estimated he would be willing to lock in some of his DAP needs fairly soon. DTN

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