

# Institutional Challenges in an Emerging Bio-Economy: A Case Study of Maize Value-Webs in Nigeria



Ayobami Adetoyinbo<sup>1</sup>, Segun Ogunremi<sup>1</sup>, Saurabh Gupta<sup>1</sup>, Victor Okoruwa<sup>2</sup>, Regina Birner<sup>1</sup>

<sup>1</sup>University of Hohenheim, Inst. of Agricultural Sciences in the Tropics (Hans-Ruthenberg-Institute), Germany

<sup>2</sup>University of Ibadan, Dept. of Agricultural Economics, Nigeria

## 1. Background

- ❖ Government of Nigeria intends to grow the agricultural sector, especially value addition in maize sector
- ❖ Well structured and dedicated institutions are needed to postulate supportive policies and implement an efficient marketing system (Ismaila *et al.*, 2010; Guta, 2012 & Asveld *et al.*, 2015)
- ❖ Smallholders will benefit from maize value addition if interactions among different actors in the sector can be enhanced (Ismaila *et al.*, 2010)

## 2. Problem Statement

- ❖ Inefficient institutional structure (Ismaila *et al.*, 2010)
- ❖ Existence of maize marketing problem due to weak institutional linkages (Adetoyinbo *et al.*, 2016)
- ❖ High transaction cost for smallholder farmers (Lenis *et al.*, 2009)
- ❖ Very few studies on the institutional structure of maize sector in Nigeria

## 3. Objectives

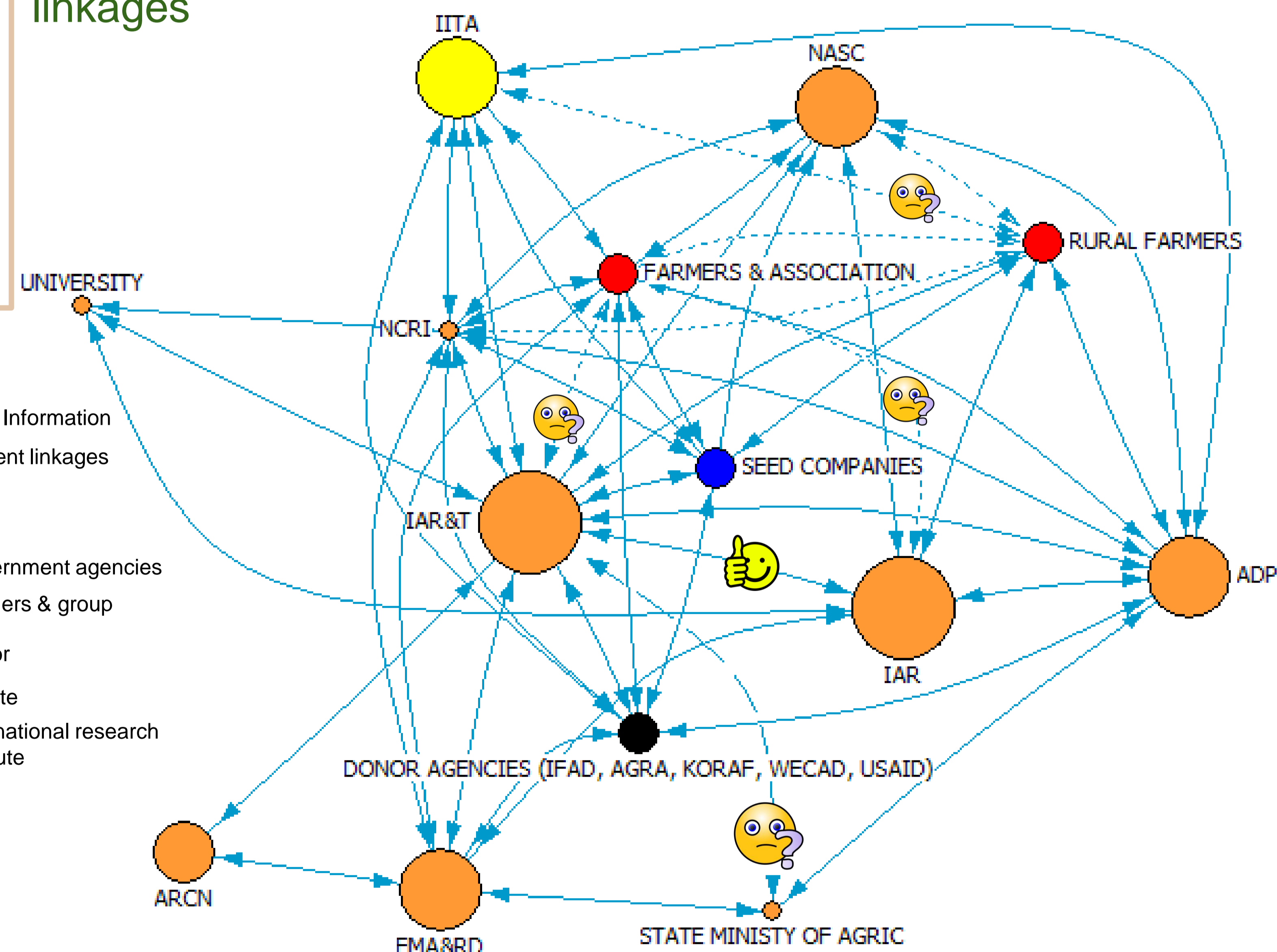
- ❖ To examine the institutional structure for value addition in maize sector
- ❖ To identify the institutional challenges in the maize sector

## 4. Methodology

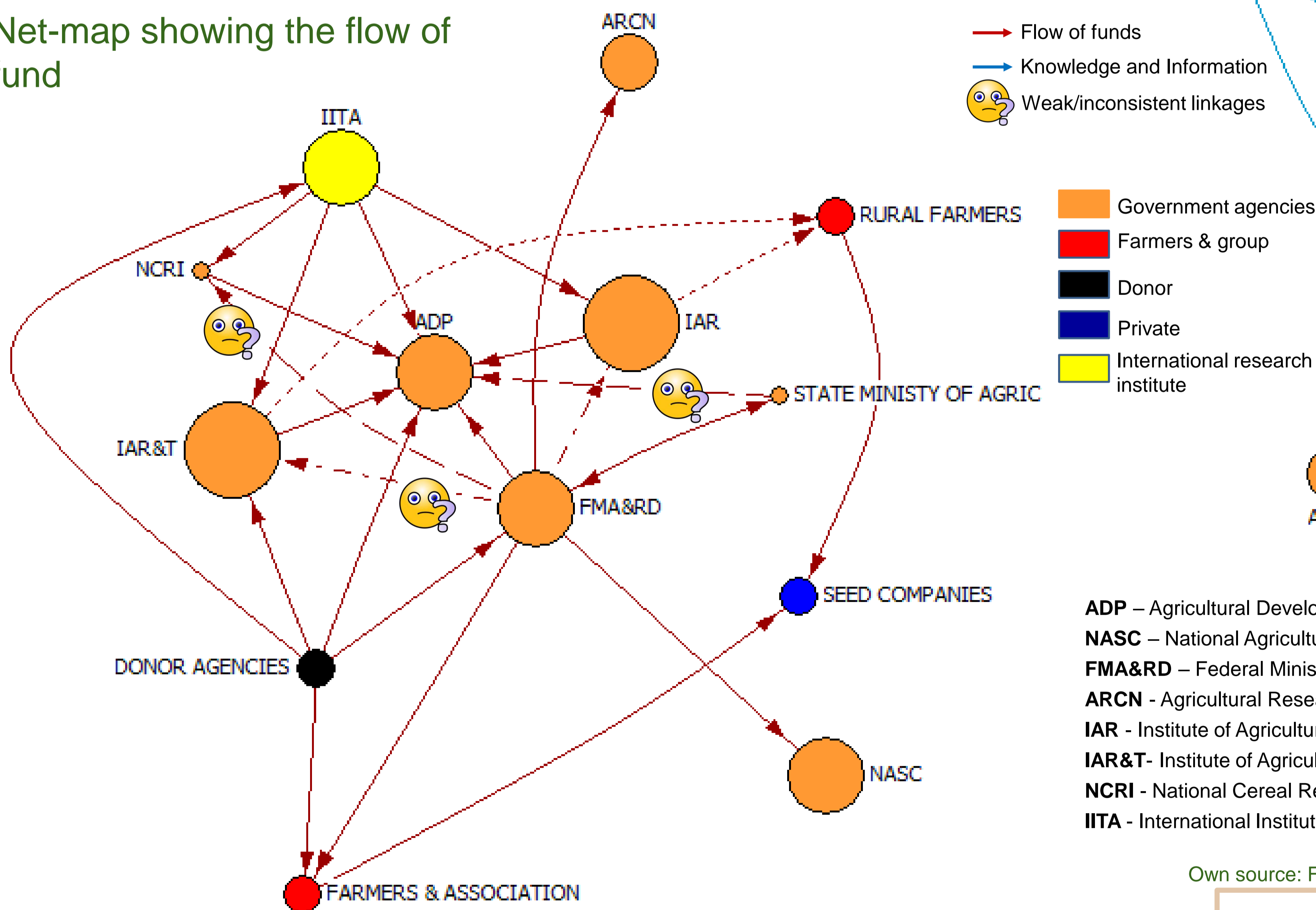
- ❖ Data Collection - Interviews
  - Focus Group Discussion
  - Net mapping

## 5. Results

Net-map showing the knowledge and information linkages



Net-map showing the flow of fund



ADP – Agricultural Development Programme (Extension Agents)  
 NASC – National Agricultural Seed Council  
 FMA&RD – Federal Ministry of Agriculture & Rural Development  
 ARCEN - Agricultural Research Council of Nigeria  
 IAR - Institute of Agricultural Research  
 IAR&T- Institute of Agricultural Research and Training  
 NCRI - National Cereal Research Institute  
 IITA - International Institute of Tropical Agriculture

Own source: FDG with IAR&T officials at Moor Plantation, Ibadan on 01/07/2015



## 6. Conclusions

- ❖ Efficient institutional structure is essential for a successful development of the maize sector in Nigeria
- ❖ Good collaboration among national research institutes **BUT**
- ❖ Some weak financial and information linkages cause inefficiency in the institutional set-up
- ❖ Information asymmetry for smallholders due to weak information linkage to MAAN and inconsistent funding of ADP staff
- ❖ Many state ministries of agriculture are quite isolated in the sector

## 7. Recommendations

- ❖ State governments should make consistent salary payment to ADP staff
- ❖ Consistent funding of research projects by the federal government is needed
- ❖ Effective means to form smallholders into groups and link them up to MAAN
- ❖ More collaborations between the state ministries of agriculture and the national research institutes

[www.biomassweb.org](http://www.biomassweb.org)

Contact: Ayobami Adetoyinbo  
 E-mail: [acubed\\_101@yahoo.com](mailto:acubed_101@yahoo.com)



DAAD



SPONSORED BY THE



Federal Ministry of Education and Research



Federal Ministry for Economic Cooperation and Development