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## Commercialisation of Agri-food Crops: Lessons from Smallholder Farmers in South-western Nigeria

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### Abstract

It is a fact that most of the Agri-food producers in Nigeria are smallholders and poor. Although many smallholders are inclined to sell their produce, a higher percentage of them are performing below par in terms of participation in the market. Most smallholder farmers in Nigeria are engaged in the production of crops and livestock at the same time in order to reduce risk associated with agriculture and ultimately enhance their socio-economic conditions. However, intercropping and mixed farming activities by smallholders are expected to influence the share of each Agri-food crop that is allowed in the market. Though an array of previous studies focuses on the commercialisation of several crops in the developing countries, most neglected the important role these two concepts could play in the commercialisation of specific Agri-food crops. Against this backdrop, this study seeks to bridge these research gap by focusing on two of the most inter-grown Agri-crops (maize and cassava) in South-western Nigeria. The study seeks to determine the commercialisation level for each crop and identify factors that facilitate/inhibit the market participation of smallholders dealing in these crops. Information on smallholders' basic socio-economic characteristics, asset holdings, transaction cost, food habit, social and human capitals etc. were obtained from 373 smallholders in south-western Nigeria using a standardised questionnaire design. Tobit regression model was employed for this study since a commercialisation index derived from the ratio of the value of each crop sold to the total value of all crops produced was used as dependent variable in the model. Overall, results from the analysis indicate that intercropping has the likelihood to reduce the commercialisation of both intercropped Agri-food crops while mixed farming has the likelihood to reduce the commercialisation of intercropped Agri-food crops that require more intensive management practices. Results from this analysis are expected to be an eye-opener and gear policy-makers to make case-specific policies that will enhance smallholders' participation in the market.

**Keywords:** Agri-food crops, commercialisation, market participation, smallholder farmers