AGRICULTURAL DATA UTILIZATION FOR NATIONAL DEVELOPMENT

By

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1.0 Introduction

It gives me great pleasure to present a paper with the title “Agricultural Data Utilization for National Development” at this seminar on “Development of a Framework for Agricultural Statistics”. The organizers, deserves commendation for taking the bold initiative of organizing this forum targeted at building capacity for national development. The issue is at the front burner of the current administration’s efforts and requires a lot of hard work on the part of all of us. We must all work together to build on the gains made so far.

This programme also captures the vision which the Central Bank of Nigeria (CBN) has for the economy to make it private sector driven as well as repositioning the agricultural sector in order to harness its potentials for growth and development through the ongoing reforms. These are focused on making Nigeria one of the twenty (20) largest economies in the world by 2020.

The country is in dire need of agricultural statistics for utilization in national planning for economic growth and development. It is instructive to note that, about 70 percent of Nigerians, especially the rural poor, derive their livelihood from agriculture and related activities. The sector accounts for about 42 per cent of the Gross Domestic Product (GDP) and the highest employer of labour.

2.0 Role of Agricultural Statistics in Development

Agricultural statistics contribute to a stable economic atmosphere and reduce uncertainty for production, marketing, and distribution operations. Uses of agricultural statistical information are extensive and varied. A main user is the producer, although the unique impact of crop and livestock data on a given producer depends on the type and size of operation. Information on production and stocks helps nonperishable crop producers decide whether to store their production to find their best market
opportunity. Producers of perishable crops are interested in the timing of plantings and area planted as an indication of market flow during the harvest period. Other major users of agricultural statistics are farm organizations, agribusinesses, and policy makers. Uses of data by farm groups may range from maintaining a basic data series to preparing an important marketing campaign. Government agencies at various levels are important users of statistics. Agricultural statistics are used to plan and administer programs in such areas as consumer protection, conservation, foreign trade, and education. Other important users of agricultural statistics include agricultural economists (analysts). The analysts transform statistics into projections of current trends, interpretations of their economic implications, and evaluations of alternative courses of action in terms of prospective outcomes. These projections multiply the usefulness of statistics.

It was against this background that the FAO in 1962 established the African Commission on Agricultural Statistics (AFCAS) charged with the mandate of:

(i) Study the status of food and agricultural statistics in the region
(ii) Advice Member countries on the development and harmonization of agricultural statistics in the general context of FAO’s statistical activities
(iii) Organize meetings for study groups or other subsidiary bodies made up of national experts to achieve these goals.

Furthermore in order to assist in the understanding of the scope of agricultural data requirements developed a broad classification of agricultural data items (FAO 1986). The classification identifies all major agricultural data needs, grouped under 15 headings. In addition to agriculture-related data, other more general statistics are also
needed for agricultural planning and policy making, and for the evaluation of agricultural development projects. These include data on:

- GDP/national accounts: to assess the performance of the agricultural sector in comparison with other sectors of the economy.
- Population, demography: to assess agricultural output in relation to food needs and to identify the target beneficiaries of development projects.
- Nutrition: to help in assessing food needs and planning the development of specific crops.
- Health, mortality: to assess the health impacts of agricultural development.
- Consumer prices: to monitor food supply.
- Population censuses: to measure the social and economic status of the rural population, including education, income, housing, access to services, and employment in agricultural industries and occupations.

In the same vein the United Nations Economic and Social Council Statistical Commission (2010) also identified 33 menu of indicators which are agriculture sector wide indicators and covers rural development, climate change, land, and the environment, and rural economy. The Global Strategy provides a ground-breaking effort to improve agricultural statistics that has implications for other sectors in the national statistical system.

Further areas of agricultural data utilization include:

i. It helps evaluate, change, promote, and formulate farm and rural policies and programs that help the entire agricultural value chain

ii. Data generation, dissemination and utilization aid in planning and allocation of resources to appropriate channels for onward transmission to productive areas for growth, development and rapid industrialization of the country.
iii. Provision of information; having information on agriculture value chain will boost production and productivity thereby helping farmers, processor, manufacturers and exporters’ improve their earnings

iv. The availability of data will help in fiscal management thereby minimize cost and improve effectiveness in agricultural businesses for growth and development

v. Helps in supporting decision; with robust data, the policy makers will find it easier to respond to challenges by proffering well articulated programme and procedures for the betterment of the nation

vi. It helps in arriving at accurate analysis which give stakeholders an impetus for proper planning of their agricultural and agro-allied business for industrialization and development

vii. Track progress towards the attainment of the 2015 targets under MDGs.

2.0 Government’s Efforts at Generating and Utilising Agricultural Data


The moribund National and State Agro-Statistics Coordinating Committee (SASCCO) are being resuscitated for improved that generation and utilization. The
new committees are being reconstituted as a step towards reviving the other moribund Agricultural Data Harmonization Committees at both the Federal and State levels. This was one of the high points at the 37th Session of the National Council on Agriculture and Rural Development held in Katsina in 2010. The Council approved the resuscitation of this very important committee because of the important role agricultural statistics plays in the development. A number of National programmes which had been put in place in the past were not able to achieve their set objectives due to lack of reliable, credible and timely release of agricultural data.

The National Agricultural Data Bank Project was established in 1987 to surmount these problems and subsequently had among its offshoot, various committees at both state and federal level to collate, harmonize, analyze, store and disseminate agricultural information. These committees were only functional up to year 2000 after which they went comatose.

In addition to this, the National Bureau of Statistics was established saddled with the responsibility of providing comprehensive, timely, relevant, and responsive statistical information relating to the social and economic activities.

Agricultural data have been used copiously in all development plans, including National Economic Empowerment and Development Strategy (NEEDS).

3.0 CBN’s Utilization of Agricultural Data

The CBN Act. 2007, assigns the following mandates to the bank

- Ensure monetary and price stability
- Issue legal tender currency in Nigeria
- Maintain external reserves to safeguard the international value of the legal tender currency
- Promote sound financial system in Nigeria; and
The Bank influence the quantity and price of money in order to achieve some economic goals which are:

- Inflation
- Economic growth
- Unemployment
- Balance of Payments viability

What happens in the agricultural sector is critical to the goal of achieving price stability. The prices of agricultural commodities are key to inflationary trends, particularly the headline inflation which is a measure of the total inflation within an economy and is affected by areas of the market which may experience sudden inflationary spikes such as food or energy. Unlike core inflation which excludes certain items that face volatile price movements, notably food and energy. Thus capturing adequate and appropriate agricultural statistics is germane to monitoring the trend in agricultural commodity prices and concomitantly inflation. Most of the interventions of the Bank are derived from data. The Commercial Agriculture Credit Scheme was as a result of limited credit made available to the agriculture which was just 2 percent of the total credit to the economy in 2009. Other schemes are Agriculture Credit Guarantee Scheme (ACGS), Agricultural Credit Support Scheme (ACSS), Interest Draw-Back Scheme (IDP). The newest which will soon be rolled out is the Nigerian Incentive-Based Risk Sharing System for Agricultural Lending (NIRSAL) which is to de-risk and unlock billions of naira for lending to the sector.

To achieve this, CBN took a number of steps. These include:
• Establishment of a Statistics Department in the Bank in 2008 from the existing Research and Statistics Department
• Collaboration with National Bureau of Statistics
• Funding of the Annual National Survey of Agricultural Exportable Commodities for the past six years of its existence.
• Data Management unit in the Development Finance Department
• Publications on various agricultural related issues.
• Sponsorship of seminars and workshops.
• Collaborates with the Nigerian Institute for Social and Economic Research (NISER) and study of Distribution Trade.
• Working relationship with NPC and Federal Ministry of Finance in order to capture other sectoral statistics relevant for monetary policy formulation.

4.0 Challenges

Gathering agricultural statistics faces a number of challenges in a developing economy like Nigeria. However, one of the development challenges is the paucity of data upon which to assess the efficacy of the policies and commitments to agriculture. Currently data integrity because of the poor quality is a major challenge and questions its usefulness in planning. Decisions about aid and/or investment efforts to foster agricultural growth need to be based on sound information on land use, factors of agricultural production, and the prevailing economic and social situation faced by producers. These decisions need to be made under a broader framework that takes into account the different variables that affect the environment and influence global warming and the overall production. The list of core items and associated data should establish the framework for the agricultural and rural components of the National Strategies for the Development of Statistics (NSDS) when being implemented.
Others are:

(a) Respondents’ reluctance to provide information due to poor knowledge and data culture.

(b) Inadequate funding; the funding in conducting surveys and related activities involve money. In Nigeria there is lackadaisical attitude towards funding of agricultural research especially due to perceive and actual risk associated with it.

(c) Logistic problems (eg. Transportation); the issue of logistics in term of deployment of human and material resources in data collection has been a flout in the country. Some of the agricultural locations are not motorable and this has posed a serious challenge in generating agricultural statistics for proper accounting.

(d) Inadequate professional staff for survey; most of the staffers conducting surveys lack basic knowledge of administering and analyzing questionnaires’.

(e) Exclusion of relevance information from some agriculture sub-sector such as fishing and;

(f) Inadequate capacity development for sample survey planning and execution.

It is against this background that, the need for government to critically look at some of these challenges holistically in order to address the deficit for economic growth and development.

5.0 Policy Recommendation

In view of the challenges confronted in terms of provision of agricultural statistics for economic growth and development of the nation, there is need to embark on the following recommendations to address them.

I. Development of a global strategy to improve agricultural statistics to meet the increasing demand for information at both the national and international levels.
II. Adoption of common methodologies by agricultural statistics agencies will improve the quality of the statistics provided. More importantly, this integration will provide a stronger support for advocating and mobilizing resources at the national and international levels, and for rebuilding the statistical capacity of the key data producers.

III. Quality control of data generated.

6.0 Conclusion

We are living in a global information society where the flow of information is ever increasing. Statistics plays a major role in shaping and providing scientific information that are useful in almost every aspect of human life, and beyond. Good statistics have always been important for economic and social development especially in the least developed countries. The statistical systems needed to generate the data have often not been properly appreciated or resourced. The lack of effective demand for statistics, coupled with poorly performing agencies has resulted in many poor countries having insufficient support in building sound databases. Lack of adequate and appropriate data hinders a country’s ability to design and implement appropriate public policies. Agricultural data is the most important in Nigeria because over 70 percent of the people live in rural areas where agriculture is the main occupation. It also contributes over 42 percent of the GDP. It becomes critical to the achievement of monetary policy goal of price stability and low inflation.

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