Nigeria's Role in Niger's Food Security

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Some land-locked Sahel countries in Africa are dependent on cross-border trade for their food security. What is the situation in Niger today? How do the cross-border flows of staple foodstuffs from Nigeria allow Niger to ensure its food security? This article describes the trade between these two countries.

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Without the farm and animal products that arrive from Nigeria, it is hard to imagine how food security could be assured for the people of Niger. Given that the country has a structural shortfall in grains, Niger's food security, in terms of available foodstuffs, depends on imports, particularly from Nigeria.

The Intensity of Trade Between Niger and Nigeria. Trade between Niger and Nigeria is favoured by Niger's geographical situation: Niger, a land-locked country dependent on neighbouring countries to the south for food supplies, shares a long border (over 1,500 km) with Nigeria, as well as complementary agro-pastoral activities and socio-cultural factors. The Hausa peoples on both sides of the border live in symbiotic proximity by virtue of their shared culture, language, and social and religious values. Their family ties and multiple relationships of friendship and patronage form the social basis for this cross-border trade.

The territory surrounding the cities of Maradi in Niger, Katsina and Kano in Nigeria (the "K²M axis") is one of the oldest development corridors opened to the Gulf of Guinea. With its dense urban fabric clustered around the city of Kano, this corridor demonstrates the magnetic attraction of Nigeria on Niger's economy. The K²M axis, along with the Cotonou-Lagos axis, are the areas of the most intense cross-border activity in West Africa. Trade and commerce are very strong, in particular for livestock, cowpeas (niebe), peppers and tigernuts (souchet) from Niger, grains and manufactured goods from Nigeria, and other products re-exported to Nigeria. Apart from its role in Niger's food security, this cross-border trade enables the two countries to make the most of their respective competitive advantages, using their resources more efficiently and augmenting their wealth. Niger exploits its advantageous position in livestock production and trade, almost entirely (97%) exported to Nigeria.

Nigeria, Grain Supplier to Niger. Cross-border flows of dry grains are difficult to evaluate, especially as, unlike livestock, they are not subject to mandatory reporting at the foreign trade registration office. It is estimated that hundreds of thousands of tonnes of grain cross the Niger-Nigeria border between March-April and August-September each year. Most, but not all, of this trade flows from Nigeria into Niger. In addition to the truck-loads of freight transported for the big Hausa merchant networks that are active in cross-border trade, farmers with a few sacks of grain on a cart cross the border in both directions, depending on the going price of grain.

Estimates in the 1980s advanced a figure of 200,000 tonnes per year for the volume of millet and maize entering Niger from Nigeria. Even today, although the sources of food supply in Niger have been diversified, Nigeria continues to supply most of the country's dry grain imports,[1] 60% to 70% on average, depending on the estimates. Millet and sorghum are the main grains imported; the quantity of maize imports varies with the state of foodstuffs and the animal feed processing industry in Nigeria.

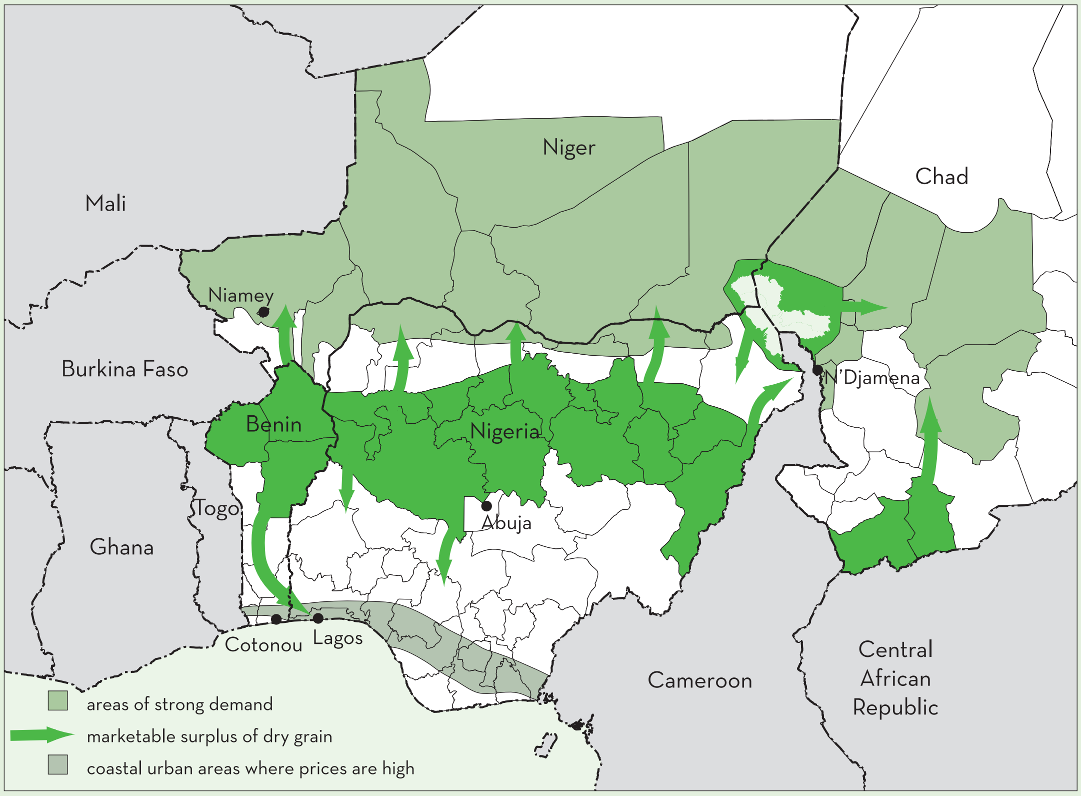
If harvests are normal on both sides of the border, the price difference between the two countries for the March-April harvest is too low to give merchants in Niger an incentive to purchase supplies in Nigeria. During this period, markets in Niger are supplied mostly by domestic production. As the pre-harvest season approaches, coinciding with the end of grain sales by small producers in Niger, prices rise. At this point, grains from Nigeria become competitive on markets in Niger.

1. Niger has a structural shortfall, and imports an annual average of at least 10% of the grain consumed in the country.

Mistakes During the 2005 Food Crisis. Lack of rain and an invasion of locusts led to a serious shortfall in grain production in Niger in 2004. The gross grain deficit—harvest less food needs—was estimated at more than 450,000 tonnes. Niger thus suffered a serious food crisis in 2005. This crisis was compounded by the fact that Niger could not import as usual from neighbouring countries, in particular Nigeria, because harvests had been poor all across the Sahel and in the northern regions of coastal countries. Indeed, Nigeria became a net importer to cover its domestic grain needs for poultry farms and breweries. This had the effect of driving up prices and reversing the flow of grain (i.e. from Niger to Nigeria) until the government of Niger decided to close its land borders in May 2005.

At the time, Niger's early warning system did not detect the direction and volume of grain flows from Niger to Nigeria, and failed to anticipate the impacts. The food situation was analysed in a national perspective only, whereas Niger's economy is highly dependent on trade with neighbouring countries. Yet, the West African production shortfall had been predicted as early as December 2004 by the regional food crisis prevention and management scheme under the auspices of the standing intergovernmental committee to fight drought in the Sahel (the Comité permanent Inter-États de Lutte contre la Sécheresse dans le Sahel, CILSS).

The widespread grain shortfall in the sub-region led to tight supply and a sudden price rise on the market. Simultaneously, while the price of grain doubled, the incomes of Niger's farmers dropped precipitously. Already-poor families sought to sell their onions or livestock, their essential income-gen- ➲



Primary Cross-Border Grain Trade Flows in the Eastern Basin (February 2010)

Source: Joint mission by CILSS, FAO, FEWS NET, WFP, February 2010.

erating resources. But the low level of demand in Côte d'Ivoire and Ghana forced down the price for onions, which were selling for half the 2003 price. Livestock also lost a great deal of its value during this period, due to a lack of pasture land. Furthermore, market outlets in coastal countries generally fluctuate in relation to the political and economic circumstances (in Côte d'Ivoire, Togo, Benin, Nigeria, etc.) and with the devaluation of the naira. The collapse of the price relation that existed between cash crops/grains and livestock/grains exacerbated the poverty of the population of Niger.

Finally, the food crisis was aggravated by the tardy and insufficient mobilisation of the government of Niger and its partners. The government made available only 38,460 tonnes of grains for sale at a moderate price. The distribution of free food by humanitarian organizations began in July 2005, when the rainy season had already started and the roads were impassable. An analysis of the sub-regional market should have pushed Niger and its partners to buy grains on the international market in early 2005, instead of waiting for the rainy season to look for supplies on the regional market.

Better Management of the Food Crisis in 2010. Regarding the economic situation, the 2010 food crisis in Niger was also due to a production shortfall in the 2009 harvest. This shortfall was estimated to be more than 400,000 tonnes of grain, on the same order of magnitude as in 2005.

But the 2010 crisis did not have the same impact as the food shortfall in 2005 because grains were available in neighbouring countries, particularly Nigeria, and due to swift action the government and its partners following an early and consensual assessment of the food insecurity situation. Early on in the crisis, the government put up 60,000 tonnes of grain for sale at a modest price. Later on, the population had access to foodstuffs on the market thanks to the massive intervention of outside partners via other instruments.

Grain imported from Nigeria (and to a lesser extent from Benin) acted very effectively to regulate supply and helped stabilise prices. In February 2010, an assessment of markets and food security conducted jointly by CILSS, WFP and FEWS NET showed that 80% to 100% of markets in Niger were supplied each week with close to 4,300 tonnes of dry grain from Nigeria, 1,750 tonnes from Benin and 240 tonnes from Burkina Faso. Nigeria was thus the major grain supplier to Niger, as seen in the map above.

The World Food Programme (WFP) was able to purchase large quantities of grain regionally, from government grain offices (60%) and from major traders (40%). These supplies were used to benefit the poorest people in the population, through the "work for money" scheme and direct distribution.

According to a WFP study, the price differential for dry grains (millet, maize, sorghum) between markets in Niger and markets across the border remained positive, creating incentives to export these products to Niger. The cross-border grain trade continued in favour of Niger until July-August of 2010, and prices remained stable overall despite a slight rise during the month of Ramadan.

During this period, the livestock sector suffered severe losses, estimated at several thousand head. This situation worsened with the flooding in Niger during the 2010 rainy season. The pastoral population suffered from the degradation of the livestock/grain exchange rate. The poor quality of the animals brought to market, a glut in the supply due to the lack of forage, and the drop in demand in Nigeria combined to force down livestock prices. With the money they earned, cattle farmers were not able to buy what they needed on the market.

In conclusion, let us emphasise the extent to which the fate of the poorest segments of the population in Niger is closely linked to the health of the Nigerian economy. This case illustrates Nigeria's economic responsibility in the sub-region and the importance of regional-scale crisis management in the Sahel. ■