ACTORS AND STAKEHOLDERS IN AGRICULTURAL EXTENSION PRACTICE: 
THE ROLE OF EXTENSION AND ADVISORY SYSTEM (EAS) IN 
AGRICULTURAL MARKETING IN NIGERIA

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Abstract

The challenges of Extension and Advisory System (EAS) is on how to tackle diversity of objectives that go well beyond, transferring new technologies. One major factor that affects sustained adoption of improved technology is that excess production due to increased yield which must be marketed otherwise, the farmer will be stocked with it and this will discourage continued adoption of such technology. Small-scale agricultural production has always been a risky business and majority of our farmers have only rudimentary principles of agricultural marketing and therefore need marketing advice by the extension system as part of general extension activities on use of improved farm technology. Consequently, EAS have roles to play in marketing advice for farmers to become more market oriented. This encompasses the need to: link more farmers effectively to domestic and international markets where globalization had led to increasing competition; strengthening innovation processes, building linkages between farmers and other agencies, development to support the bargaining position of farmers. Thus, market seems to be an ingredient that explains the difference between the many failed projects and few successful ones.

Key words: Extension and Advisory System, Smallholder Farmer, Marketing

Introduction

Agriculture plays a major role in the economic development of Nigeria. It is a major employer of labour, major foreign exchange earner, major contributor to the Gross Domestic Product (GDP) and also, the main source of the raw materials for the agro-based industries in the country. The sector contributes to reducing poverty which is a multi-dimensional phenomenon. 75% of the world’s poor live in rural areas and agricultural sector employs 40% of developing countries’ workers and contributes 20% of their Growth Domestic
Product (GDP). In Nigeria, the sector contributes about 42% of the GDP (NSE, 2012). The output of major staple food crops grew at about 7.1% per annum in the last decade which is an indication of the growth in the sector. Though agricultural production and productivity have generally increased, poverty (including nutritional insecurity) is widespread in many of the less-favoured agricultural regions (Sulaiman et al, 2012).

Agriculture consisting of crop, livestock and fish production is the main-stray of the Nigerian economy. Therefore, agricultural production and its related trade provide 70-90% of the occupation of the people and about 80-95% of the income. In general cereal grains mainly sorghum, maize, millet, and rice tubers mainly cassava, yam, cocoa yam and potatoes and; legumes mainly cowpea, groundnut, sesame and soyabean are produced for family consumption and sales. Fiber crops like cotton, kanaf and roselle are produced on commercial basis for textile and bag making industries. Crops such as groundnut, cotton seed, sesame and soyabean are commercially demand in agro-processing industries. In recent times, vegetable crops mainly tomato, pepper, onions carrot, cabbage and lettuce have become major commodities of trade in the country.

Thus, a strong and an efficient agricultural sector would enable the country to feed its growing population, generate employment, earn foreign exchange and provide raw materials for industries (Ahmed, 2010). The Nigerian agricultural production has advanced beyond subsistence production and agricultural marketing has become a very important component of the production system. Small-scale agricultural production has always been a risky business and majority of our farmers have only rudimentary principles of agricultural marketing and therefore need marketing advice by the extension system as part of general extension activities on use of improved farm technology. Agricultural marketing covers the services involved in moving an agricultural product from the farm to the consumer. There are numerous interconnected activities that include planning production, growing and harvesting, grading, packing, transport, storage, agro-and food processing, distribution, advertising and sale. The most crucial is location because it also determines the distance to be travelled to buy inputs as well as to sell farm produce. These
unnecessary costs as a result of location might make a project unviable. The market seems to be an ingredient that explains the difference between the many failed projects and few successful ones.

Agricultural extension as a discipline and as a process has gone through a number of stages with increasing relevance to major challenges facing agrarian and developing societies. Extension has expanded beyond the scope of agriculture, presenting a set of principles and approaches that transcend mere enhancing farmer’s productivity alone (Sulaiman et al, 2012). The new challenges of Extension and Advisory System (EAS) need to tackle diversity of objectives that go well beyond, transferring new technologies. As one of the major factors that affect sustained adoption of improved technology is that excess production due to increased yield which must be marketed otherwise, the farmer will be stocked with it and this will discourage continued adoption of such technology.

Consequently, EAS have roles to play in marketing extension as farmers become more market oriented; as it encompasses the need to: link more effectively and responsively to domestic and international markets where globalization is in increasing competition; reduce the vulnerability and enhance the voice and empowerment of the rural poor, promote environmental conservation; couple technology transfer with other services relating to credit, input and output markets and enhance the capacity development role that includes training but also strengthening innovation processes, building linkages between farmers and other agencies, development to support the bargaining position of farmers. The concept of marketing extension arose on the need to make the extension officer also a “marketing officer” for the farmers with the view to helping farmer obtain good prices for their products and hence obtain profit from their production (Ahmed, 2010).

Agricultural extension service plays a critical role in bringing relevant and improved technologies developed by National Agricultural Research Institutions (NARIs) to end-users/farmers (Mustapha, 2013). The main thrust of the transformation agenda is to move farmers away from subsistence and traditional forms of production to a commercial business oriented types of production (Abubakar, 2013).
ROLES OF EAS IN AGRICULTURAL MARKETING

Agricultural Extension Transformation Agenda (AETA) is saddled with the task of putting in place a responsive and market-oriented extension system to effectively cater for the variety of actors along targeted value-chains (Sadiq, 2013). The value chain construct has emerged as a popular approach because it provides an analytical tool to address challenges and to shape implementation of agricultural marketing. Value chain analysis is used to clarify market relationships, coordinate the delivery of inputs, improve information flows, and monitor the quantity and quality of products. Among the major roles of EAS should include adequate acquisition of knowledge and skills on what crop to produce, where to buy inputs and how to pay for them, produce handling, storage, when and where to sell their produce, packaging, market linkages, market information. The attempt to details how an extension officer can perform these roles effectively for the betterment of poor-resource farmers and subsequent rural development are of great significance;

What crops farmers should grow?

In a market-oriented economy, the farmer does not just grow any crop anyhow but grow only crops that he can sell. The farmer must make a choice between subsistence production and a commercial production. The farmer must be advised to specialize and produce crops for which he has the comparative advantage (i.e. crops that are best suited to his environment and which the available resources can best be used for in this case, he is likely going to produce it at least cost and therefore profitable. Farmers are guided and facilitated in the production of best crops. If he can concentrate on such a crop, he will make more than enough money from it and be able to buy those he cannot produce by himself from the market. The time when farmer produces everything needed by the household for consumption is gone and it is recommended that it is high time for Agro-ecological specialization of crops and livestock production in the country.

Where farmers to buy inputs?

Agricultural inputs are diverse and can be gotten from many sources. However it is only a few of the sources that are genuine and reliable such as ADPs, NARIs and
reputable Companies/Stores. These inputs include among others like;

- **Sources of seeds/breeding stock/cuttings and vines:** The farmer is a source of seed as he tends to select his best crop as seed for next planting season. However, this source is limited to only open pollinated improved crop varieties and local cultivars. For improved seeds and hybrid crops, the farmer must renew his seeds after 2-3 years of planting from same seed or its vigor (yield) will drop drastically. Thus, the seed companies/vendors are sources for improved and hybrid seed, this is the one of the reliable source from which genuine seed can be obtained.

Farmers’ Supply Companies of various ADPs is another genuine source for improved seeds for the farmers as they either sell from their seed farms or certified seeds from the seed agencies.

Open market is another source of seed though not reliable as adulterations of seeds are common feature in the open market. Farmers must be advised to as much as possible purchase their seeds from recognized seed companies/dealers/retailers.

- **Inorganic fertilizers/Agro-chemicals:** Genuine fertilizers and agro-chemicals are obtained from several sources, but the reputable ones are the government source like ADP/FASCOS and those distributed through local government councils. However, because the quantities coming through these sources are limited, many farmers resort to open market and dealers to buy from. The qualities of such fertilizers and agro-chemicals are sometimes in doubt because of adulteration, faking, false content and poor handlings. Farmers will be advised to buy from reliable and honest dealers as well EAS should educate them on features of genuine products.

- **Farm equipment and machinery:** Farm implements and machinery dealers are very few in this country. The EAS has a role in helping farmers identify and purchase genuine farm implements and their spare-parts or to identify good local
fabricators of equipment and spare-parts.

- **Credit/Loans:** Farm finance has become more complex with commercial agriculture and therefore farmers may have to access other source of credit apart from their personal savings. The Extension and Advisory Service (EAS) can help farmers in seeking additional credit and loans by linking such farmers to available credit/loans sources which may include commercial banks, input dealers, micro-finance banks or agro-processors and merchants by evaluating the cost of credit from the different sources as well as encourage them into cooperative societies. Furthermore, farmers are advice on how to safe through banks, liquid asset acquisition or through credit, thrift and loans societies to boost farm investment and cash needs for personal consumptions.

**How to handle produce**

The price of a produce is a function of its state. Farmers therefore, need to be advice on the harvesting and post-harvesting practices that will keep produce in high quality in terms of moisture content, colour and texture, purity, size and disease/pest free state. To effectively do this, the EAS should enlighten farmers to avoid bulking of different crop varieties, crops of different colour, sizes and shapes either at harvesting or package and as much as possible separate damaged from undamaged produce. He must ensure that harvesting is done at the correct moisture content while proper drying takes place before storage.

**How to store produce**

Crop storage is the act of delayed consumption and or sale of harvested produce till a future date. In the Nigeria farmer context, crop is stored for the purpose to consume it later in the year or season (for time utility) or for sale in places other than the place of production (for place utility). Our farmers have the tendency to sell their produce in the harvesting season for reason of sourcing finance to finance other farm operations within the harvesting season (labour for weeding, harvesting, packing, threshing, etc) or to pay for household non-farm expenditures like food consumption, social and religious activities, family health, education and asset acquisition like new wife and household utensils and equipment.
Proper storage advice should include safe storage, which implies avoiding use of harmful storage chemicals that are injurious to human beings, avoiding damage by insect pest and rodents, and avoiding damp and moldy conditions. To achieve this, farmers are advised to use appropriate storage structures such as metal bin, triple bagging particularly for cowpea, fumigation with phosphate tablets or other suitable fumigants for grains, plastic containers and baskets for fruits and other improved storage structures rather than living rooms of farmers to avoid health hazards to farming household members.

Produce value addition
Value addition is the act of modifying the form of initial produce for the purpose of gaining higher price for the commodity. Value addition can take the form of cleaning produce before bagging to make it more attractive to buyer or production of semi-finished product through transformation of some kind (processing) that makes the product an input into another product. While individual farmers can practice produce cleaning, processing requires some equipment and group action inform of cooperative society to be able to do that effectively.

Towards this, the EAS is required to advise farmers to join cooperatives where they could pool their resources together to achieve value addition to their produce. Another form of value addition is group marketing of produce to distant markets or industries as out-growers or contract farmers. In this way farmers have guaranteed market and usually good prices. Another form of value of value addition which farmers may be advised upon is packages in attractive materials may command high prices for sellers especially in groceries stores, corner shops, cooperative stores and in farm outlet sale points. This method has been found very useful in fishery, livestock and livestock product, fruits and vegetables and milled rice and some other grains.

When and where to sell the produce/ livestock/fish?
The essence of storage for later sale is to obtain better prices for the produce. The EAS with price information and knowledge of seasonal price trends for commodity is in a better position to know the appropriate
time to sell the commodity and should advise farmer on such. In non-perishable commodities, sale from three or more months after harvest have been found to be much better than at harvest. However, because of the need for cash by farmers and to avoid the risk associated with delayed sale, staggering of sale is advisable.

Farmers can be advised to sell certain percentage after 2-3 months another percentage, just before the next season start to raise money for farm inputs and the last percentage at the peak of the farming activities and just before new crops are being harvested.

EAS advice on where to sell; Agricultural produce marketing takes place in different places. These include:

i. Individual farm or compound;- This is regarded as farm gate with itinerant middle men, women and commission agents. The prices are lowest for producers.

ii. Village market;- This the primary exchange point in the community with itinerant middle men and women, agents of merchant traders and food vendors. Prices are slightly better but still low.

iii. Rural bulking market with whole array of market participants;- farmers, middlemen and women of all categories (commission, speculative, brokers, merchants, company buying agents and suppliers, etc. The prices of commodities here are moderately good and farmers could get a fair deal in this market if only they can avoid exploitation and manipulations by middlemen, particularly, the commission agents (dillalai).

iv. Urban market;- that serve as major retail outlets for staple food crop as well as manufactured goods and major bulking and distribution centres for a variety of commodities and patronized by consumers, who buy from retailers, bulk buyers like processors and contractor/suppliers, who buys from merchants, numerous food vendors and eateries and middlemen fall categories. This market can only be penetrated by
farmers selling in groups as cooperatives or linked to merchants’ traders.

v. Small urban and individual places of businesses;- This refers to the numerous smaller markets, individual traders (Agro-chemical shops, Seed stores and Super markets, Shopping malls), fast food, restaurants, hotels and cafeterias scattered throughout the commercial and residential part of the cities serving as retail outlets for individual neighborhoods. These are good avenues for obtaining very good prices and farmers or group of farmers could be linked to such markets as suppliers.

vi. International markets;- This ranges from parallel markets in which produce are traded across the Nigerian borders un-officially to the export market (world market) in which trade is officially documented. Farmers who participate in these markets are much better off in terms of prices received. For export market, not all farmers can participate as it requires special grades and standards which have to be met. Group marketing through cooperatives and market linkage to exporters are advised.

vii. Commodity Futures Markets;- These trading involves buying and selling of standardized contracts for the future delivery of the commodity; In Nigeria there are presently, the Abuja and Kano Commodity and Exchange Markets which deals in grains (Maize, Sorghum and Sesame). Farmers and farmer groups could be linked to those who trade on the floor to sell their produce. This market is highly specialized and trade only on specific grades and standard produce but the prices are quite good for those who meet the requirements.

How to link farmers to markets

Farmer-to-trader linkages;- Farmers can be linked to traders. Because of the small holdings of majority of farmers, the EAS could advise farmers to identify trustworthy traders who can buy their
produce or help them market it. The roles of NGOs and other donors in identifying such key traders and facilitating linkages have been demonstrated in some countries.

**Linkages through a leading farmer;**
The farmers can produce and sell through a lead farmer in their communities or in their associations. Livestock, vegetable and grains have been sold at distant markets in Nigeria through this approach. The lead farmer in this process helps others to sell their produce when selling his own to reduce the transactional cost for others through bulk sale and delivery.

**Private company linkages;**
Through donor funds and NGOs, many farmers have been linked to processors and the EAS could play similar roles through organizing exchange visits to companies processing commodities or to major trading companies and facilitating linkages for farmers. The linkage of farmers to the default NTC was a success story in the past and now USAID MARKETS are linking Rice, Sesame and Sorghum farmers could also be linked to input supply sources. One other method of linking farmers is through farmers’ participation in Agricultural Shows, Trade Fairs and Farm Tours within and outside the country.

**Cooperative linkages;** Cooperatives societies that are well established can be a channel for assisting other farmers. Farmers can be linked to such groups. The case of MILCOPAL which organizes and collect fresh milk for processing in their Kaduna factory is a good example.

**Providing market information**
Value chains are understood to consist of the linked set of activities and enterprises that bring a product from conception to its consumers through to its disposal. This involves collecting information about firms and market connections to identify strengths or weaknesses in the coordination of these activities and to examine the power and position of firms in relationship to other actors in the chain. Therefore, EAS has to identify how firms can improve their performance by reducing costs or enhancing the distinctiveness of their
products or services (or both), a process known as upgrading; Thus:

Four different types of upgrading are discussed in the literature on value chains. Each type might involve different sets of constraints and opportunities for farmers:

*Process upgrading:* This aims to increase the efficiency of production processes, resulting in reduced unit costs. Process upgrading can involve improved organization of the production process or improved technology.

*Product upgrading:* This improves in the quality of a product or variety that increases its value to consumers.

*Functional upgrading:* This refers to entry into a new, higher value-added function in the value chain that moves the value chain actors and/or the overall value chain closer to the final consumer and positions it to receive a higher unit price for the product.

*Channel upgrading:* This refers to entry into a marketing channel that leads to a new end market in the value chain, for example, from the domestic to the export market for the same product (Humphrey and Schmitz 2001; Bolwing et al, 2008).

In any business, access to information and use of such information is a key to success. In farm business, the situation is the same as farmers need such information to know what crop to grow sources of inputs supply, demand and supply situation for the various crops at different enterprises and weather forecast for the area. The farmers could be advised on sources of the information and how they could be used. EAS could provide some of the information and help farmers to interpret them. The ADP provides some of market information on routine basis on radio, Television or in bulletins. Some of the Commodity Associations also provide information to members while agencies like Nigerian Agricultural Marketing Information Services (NAMIS), Management Information System and Trader’ Organization in West Africa (MISTOWA) and a host of others provide specific farm information that the EAS could link farmers to.

**Conclusion**

Modern marketing has impact on agricultural productivity in the sense that improved marketing leads to higher
demands for commodities and therefore farmers are able to sell more produce and earn more income. From the foregoing, it is clear that the EAS serve as marketing agency for the farmers as they have to play a major role in the inputs and output marketing process for the farmers. To effectively do this, the EAS must updated knowledge in the principles of agricultural marketing and be able to extend such knowledge to farmers. This new concept is what is termed ‘marketing extension’ and it is now being developed for different commodities bearing in mind the peculiarities in the different agricultural commodities. Farmers who take farming as a business must take advice given by Marketing Extension Officers very seriously in order to reap full rewards from their affirmed businesses.

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