



2021 3RD CMC MEETING



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Commodities Trading Ecosystem Implementation Committee**





MAJOR PROGRESS SINCE LAST CMC MEETING

1.0 STAKEHOLDERS SENSITIZATION WORKSHOPS ON COMMODITY STANDARDS

One of the key recommendations highlighted in the Commodities Trading Ecosystem Report was the need for an effective grading and standardization system for Nigeria in line with International best practice.

Grading and standardization seek to define a common trading language for all actors in the commodities value chain, eliminate the proliferation of sub-standard commodities in the markets, and enhance the global acceptance of commodities originating from Nigeria.

Following the concerted efforts of the Implementation Committee, SEC, SON, and the Commodities Exchanges in achieving quick wins toward the development of existing Agric standards, arrangements were made for the sensitization of user group stakeholders to collate feedbacks on the standards.



MAJOR PROGRESS SINCE LAST CMC MEETING

1.0 STAKEHOLDERS SENSITIZATION WORKSHOPS ON COMMODITY STANDARDS (cont'd)

a) Lagos Workshop

The 1st in the Series of Stakeholders Sensitization Workshops on Commodity Standards took place in Lagos from November 8-9, 2021.

The Workshop brought together stakeholders such as government agencies, farmer groups, processors, Agric commodity exporters, merchants/off-takers, collateral managers, development partners and Agric experts, amongst others to provide feedback on the commodity standards presented by SON at the Event.

Standards considered at the Workshop included Cowpea, Maize, Wheat Flour, Crude Palm Oil, Soybean Flour, Garlic, Whole Ginger, Cassava Roots, Cocoa, Shear Butter, Gum Arabic, Sesame, Sorghum, Soybean, Cashew Nuts, Millet, Paddy Rice, Poultry Feeds, and Natural Rubber. For most of the standards presented, Stakeholders were of the view that the specifications had to be reviewed to address certain observations raised at the Workshop.



MAJOR PROGRESS SINCE LAST CMC MEETING

1.0 STAKEHOLDERS SENSITIZATION WORKSHOPS ON COMMODITY STANDARDS (cont'd)

a) Lagos Workshop (cont'd)

Generally, Stakeholders agreed that:

1. There is need for continuous enlightenment on commodity standards to promote the widespread usage by smallholder farmers, as well as small and medium scale processors;
2. For effective implementation of the standards, and in order to resolve the perennial rejection of Nigerian Agricultural Commodity Exports, there is need for robust enforcement of compliance with commodity standards;
3. Farmers need to be educated on best agricultural practices, especially, in the usage of pesticides and other chemicals. They noted that the high prevalence of pesticide residue on the commodities had contributed to the rejection of Nigerian agricultural commodities;
4. Agric Extension Service Workers are critical to promoting good Agric practices and implementing commodity standards by smallholder farmers, and advocated for the reinvigoration of extension services in States across the Federation;
5. SON should fast-track development of standards for organic certification of agricultural commodities;
6. There is need for strong collaboration among key stakeholders to ensure the effective implementation of agricultural commodity standards.





MAJOR PROGRESS SINCE LAST CMC MEETING

1.0 STAKEHOLDERS SENSITIZATION WORKSHOPS ON COMMODITY STANDARDS (cont'd)

b) Kano Workshop

The 2nd in the Series of Stakeholders Sensitization Workshops, is billed to hold in Kano on November 18, 2021.



MAJOR PROGRESS SINCE LAST CMC MEETING

2.0 CAPITAL RAISING FOR THE SOLID MINERALS SECTOR

As part of post-webinar (Webinar on Solid Minerals and Commodities Exchanges) activities, the Commission is working with the Association of Issuing Houses (AIHN), and the Federal Ministry of Mines and Steel Development (FMMSD), on a hand-holding capital raising workshop for selected mining companies.





MAJOR PROGRESS SINCE LAST CMC MEETING

3.0 ESTABLISHMENT OF FARMER COOPERATIVES

Following the mapping of farmer cooperatives across the nation, through the efforts of NIRSAL and the Commodities Exchanges, the Committee is working on collaborating with the Federal Ministry of Agriculture and Rural Development (FMARD), and States' Ministries of Agriculture, to encourage the formation of more farmers cooperatives in States identified to have low number of cooperatives.



ONGOING INITIATIVES {1/2}

- The 2nd in the Series of Stakeholders Sensitization Workshops - Kano on November 18, 2021;**

- Webinar on Food Security;**

- Continued engagement of SON on the approval of Standards for various commodities to be traded on the Commodities Exchanges;**

- Identification of commodities that can be used as pilot project for Proof of Concept for lenders of capital;**

- The Committee is finalizing a policy paper on *“Using the Railways and Inland Waterways for Transportation of Commodities”* for inclusion in the national transportation policy;**



ONGOING INITIATIVES {2/2}

- The Committee is planning a technical workshop on commodity-based derivatives for members;**

- Engagement with various State Governments on the gains of active participation of States in the Nigerian commodities trading ecosystem;**

- Engagement with BOA, NIRSAL and market operators on development of attractive Agric-based Instruments for investors.**

