

COMMUNIQUE

The Sugar Forum for the North Central Zonal, Nigeria, organized by the National Sugar Development Council, (NSDC) Abuja, was held at the Royal Choice Inn Limited, 20, Gondo Aluor Road, Old GRA, Lobi quarters, Makurdi on Tuesday the 20th December, 2011. The theme of the workshop was *“Investment Opportunities in the Nigerian Sugar Sector”*.

2. The Forum was presided over by Mr. Dauda S. Kigbu, the Permanent Secretary, Federal Ministry of Trade and Investment, Abuja, ably represented by Dr. A.L. Wuese, Director Human Resources. The Special Guest of Honour at the Zonal Sugar Forum was Dr. Eugene T. Aliegba, Honourable Commissioner of Agriculture and Natural Resources, Benue State. The Keynote Address titled: “Existing Potentials and Investment Opportunities for Foreign and Local Entrepreneurs in the Nigerian Sugar Sub-Sector” was delivered by Dr. Nazifi A. Damba, Director, Economic Growth Department, National Planning Commission (NPC), Abuja.

3. Goodwill messages were also delivered by the Honourable Solomon Agidani, Engr. O.O. Abifarin, Director, Engineering Services Kwara State, Ilorin and Comrade Aondona Kuhe, Chairman, AFAN, Benue State Chapter.

4. Three Papers were presented at the Forum as follows:

- I. Establishing a viable sugar value chain in Nigeria: Opportunities and challenges – by Mr. Alexis Aligbe, CEO, Molindex Nigeria Limited, Benin City
- II. Sugarcane Research & Development – The Solid Foundation for Sustaining a Viable Sugar Industry by Executive Director, Dr. Mark Ukwuagwu, National Cereals Research Institute, Badeggi, ably represented by Dr.A.C. Wada, Head Sugarcane Research Programme.
- III. Sugarcane Outgrower – Effective Tool for the Development of Sugar Agro-Business in Nigeria by – Engr. Taaziya, Akila Todi, Managing Director, Savannah Sugar Company Limited, Numan, represented by Mr. Chandra Sekran.

5. Participants at the Zonal Sugar Forum were drawn from both private and public sectors of the Nigerian economy including Technocrats, Researchers, Academia and Sugarcane Farmers.

6. After elaborate deliberations on the various papers presented by the Resource Persons, participants resolved as follows:

- i. That relevant Federal Ministries and Agencies should enforce the payment of 10% Sugar Levy for imported sugar as enshrined in the NSDC Enabling Law Act Cap 78 LFN, 2004, which is still in force
- ii. Stakeholders advised that the Honourable Minister of Finance should stop issuance of waivers and revoke the existing ones as is done for Rice and Wheat for this runs against the extant Sugar Council Law.

- iii. Stakeholders emphasized that the current concept of sugar value chain must be properly articulated for the programme and services to be successfully implemented.
- iv. The versatility of sugarcane crop for the production of sugar, bio-ethanol and cogeneration and the need to take advantage of the investment opportunities in this areas was noted by participants.
- v. Stakeholders enjoined sugar refineries to intensify efforts on their backward integration programme and phase out importation of raw sugar within a given period of 5-6 years.
- vi. There must be an Enabling Law to empower the sugarcane outgrowers as is done elsewhere where up to 78% of what is obtained from farmers' farm goes to the farmers and 22% goes to the millers.
- vii. There should be mandatory fees on all tonnage of sugar imported to support research development. All Local Sugar Processing Industries should remit N5 on every 50kg bag of sugar produced or imported to National Sugar Development Council to fund research and outgrowers scheme. Local producers are avoiding risk in production by developing more interest in raw sugar imports.
- viii. NSDC should be adequately funded to produce feasibility reports for viable project sites as an incentive to attract private sector investment.
- ix. Participants realized the need for the NSDC to adopt Value Chain Development and implementation of Sugar Master Plan through a coordinated stakeholder's consultation.
- x. Sugar technology and innovations in the successful sugar developed countries must also be practised in Nigeria to ensure that researchers have a starting point.
- xi. NSDC and Researchers should improve on all the existing and commissioned sugar mini plants to enhance their efficiency. State Government should also provide necessary infrastructure where these mini-plants are sited.
- xii. Government should demonstrate strong political will to create the enabling environment interms of favourable fiscal policy and tariff regime to stimulate investment in the sugar sub sector.
- xiii. Sugarcane production should be specifically covered under the various agricultural credit policies of Federal Government (CACCS, NIRSAL).
- xiv. NSDC should collaborate with University of Agriculture, Makurdi and other similar institutions on areas relating to its mandate.
- xv. The National Economic Team should adopt Sugarcane production as the next crop for promotion after rice.
- xvi. Participant noted the existence of a special sugarcane intervention Fund to support sugarcane production and establishment of Sugar Processing Plants and recommended that it should be enhanced in the spirit of Federal Government Transformation Agenda.

National Sugar Development Council

Abuja

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