

# Nigeria's Rice Revolution: Policy and Partnerships Drive Farmer Prosperity



While GIZ's training elevates farmers across West Africa, Nigeria stands out. Here, over 600 EUR in annual income is the new norm for smallholder rice farmers, thanks to a unique blend of supportive government policies, strong market links, and smart contract farming. GIZ through the MOVE (Market Oriented Value Chains for Jobs and Growth in the ECOWAS region) project provides training and support to farmers, processors, and others along the rice value chain across the ECOWAS region. Yet, Nigerian smallholder rice farmers often achieve greater success. Why this difference?

A deeper look reveals that Nigerian farmers benefit from more than just training. Their income growth comes from a combination of favorable government policies, structured market connections, and efficient contract farming. This unique synergy amplifies the impact of our efforts.

## Where Rice Becomes Revenue: A Nigerian Success Story

Many Nigerian farmers join out grower schemes or contract farming agreements with rice mills. In these arrangements, processors, aggregators, or buyers provide inputs like fertilizer, pesticides, and certified seed at the start of the season. They also guarantee to buy the paddy at prevailing market prices, securing a market for farmers. Some farmers, starting with just 0.5 hectares, receive financial support or access to extra land,

greatly expanding their production capacity. More land and timely access to quality inputs, combined with MOVE-CARI's training on good farming practices, leads to higher yields and increased income potential. MOVE-CARI plays an important role in enabling these relationships. Through structured contract farming and Matching Grant Funds (MGF), providing financial incentives for cooperative farmers, processors, and input suppliers are brought together to strengthen collaboration along the rice value chain. Workshops build capacity for farmers, teaching them how to negotiate contracts, equipping cooperatives and processors with business management and fair pricing skills.

GIZ monitors each formally signed agreement to ensure transparency and accountability. These collaborations enable farmers to grow rice two to three times a year during rainy, dry, and even off-seasons using irrigation, further boosting income potential. With guaranteed buyers and strong policy backing, these farmers build viable, year-round rice businesses.

Beyond formal training, knowledge spreads naturally. Farmers work in clusters and share best practices from demonstration fields. Even those who have not attended official programs often adopt improved techniques they observe. This leads to a widespread "spillover effect" that boosts productivity across entire communities.



Nigeria also benefits from a distinct advantage: a strong enabling policy environment. Over the past six to eight years, Nigerian policy has strongly encouraged local rice production. This ranges from high tariffs on imported rice to financial incentives for rice mills and farming cooperatives, such as the Anchor Borrower Programme.

MOVE-CARI supports these national strategies by directly consulting policymakers and fostering public-private dialogue to shape rice-friendly policies that genuinely benefit farmers. Mr. Adebayo, a rice farmer from Kaduna State, shares:

“

**My family's life has truly changed. Before, I worried about selling my harvest and getting good prices. Now, with a guaranteed buyer and the new farming skills I learned, I can plan for my children's education. My future is much brighter**

”

## Lessons Learned: A Model for Replication

The success of Nigerian rice farmers demonstrates how project interventions are magnified when combined with strong national policies. While MOVE-CARI's training and value chain approach provide the foundation, Nigeria's favorable policy environment turned that foundation into substantial income gains. The enabling conditions in Nigeria from public-private cooperation to trade protection show how sustainability, policy, and profitability can align. The change achieved is likely to be sustainable over time for several key reasons.

First, institutional integration ensures the approach is embedded in the local system, not just a standalone project,

due to strong alignment with Nigerian government policies and the institutionalization of practices like contract farming.

Second, market-driven success links farmers to reliable buyers and market incentives, making their progress financially viable and self-reinforcing.

Third, knowledge spillover allows best practices to spread organically through farmer clusters, ensuring continuous learning and adoption beyond direct training participants.

Finally, empowered actors such as farmers and cooperatives gain essential business skills, reducing their dependency and increasing their capacity for self-management.

The GIZ approach, built on a combination of technical support, policy dialogue, and inclusive contract farming has created a model with high potential for replication. As results continue to be validated and the approach refined, there is a clear opportunity to extend this success to other regions. With additional investment and strategic coordination, rice farming across West Africa could evolve into a sector that is not only sustainable but also genuinely profitable.

---

**favorable government policies, structured market connections, and efficient contract farming**

---

