



Standards and Trade Development Facility



# EXPANDING EXPORT OF SESAME SEED AND SHEANUT/BUTTER THROUGH IMPROVED SPS CAPACITY BUILDING FOR PUBLIC AND PRIVATE SECTORS



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# An Overview of the Implementation of the STDF Project 172



STDF Project 172, Co-financed by NEPC and STDF, implemented by NEPC, and supervised by ITC 2014

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# 1. AN OVERVIEW OF THE IMPLEMENTATION OF THE STDF PROJECT 172

#### 1.1. THE NIGERIAN EXPORT PROMOTION COUNCIL (NEPC)

The NEPC is an agency of the Federal Government of Nigeria. The NEPC's vision is to make the non-oil export sector a significant contributor to Nigeria's GDP, and the mission, to facilitate exports to promote sustainable economic development. The strategic objective of the Agency is to diversify the productive base of the economy away from oil and foster market-oriented and private sector-driven economy. The NEPC is the Implementing Agency for the STDF Project 172.

#### **1.2. BACKGROUND OF THE STDF PROJECT 172**

#### 1.2.1. Sesame Seed

Nigeria is the second largest producer of sesame seed after Sudan in Africa, producing 229,167mt in 2011 (FAO). The commodity is exported majorly as seed, ranking amongst the top 5 exported products. The contamination of sesame seed in the field and/or along the supply chain is of major concern for public health, causing tremendous trading problems. Owing to the stringent aflatoxin regulatory measures, the penetration of EU markets where the regulation on aflatoxin levels has become very restrictive is problematic. Aflatoxin control has become the largest impediment to sesame seed exports from Nigeria.

#### 1.2.2. Sheanut

Nigeria is the world largest producer of Sheanut, producing 325,610mt in 2010 (FAO).

Until recently, Shea was the native source of edible oil or fat traditionally used for frying, adding to sauces, as a skin pomade, for medicinal applications, to make soap, for lanterns and for cultural purposes at ceremonies. The main problem encountered with export of Shea products is its Free Fatty Acid (FFA) and *aflatoxin* content in the kernels while in storage, while for the Shea butter, the main problem is rather both the FFA and impurities.

#### 1.2.3. The STDF Project 172: The Overall objective

The overall objective of the STDF Project 172 is expanding Nigeria's food export of both sesame seed and Shea butter through improved sanitary and phytosanitary capacity building for private and public sector organization and improved quality control along the value chain. The STDF Project 172 seeks to address the quality issues identified above by initiating series of actions in partnership with stakeholders in Shea butter and sesame seed production chain in Nigeria.

# **1.3. THE PROJECT'S BUDGET AND STRUCTURE**

#### 1.3.1. The Budget

The major donors include the World Trade Organization (WTO) and NEPC. As for the budget distribution, the backing from WTO and the NEPC are 65% and 35% respectively, while the various states involved contributed through construction of shelters to house the equipment as well as provision of facilities like borehole water and electricity, while the local communities donated the land.

# 1.4. THE COLLABORATING INSTITUTIONS

The project's collaborating national institutions include:

- Federal Ministry of Industry, Trade & Investment.
- National Agency for Food and Drugs Administration and Control (NAFDAC)
- National Cereals Research Institute (NCRI),
- International Institute of Tropical Agriculture (IITA)
- Standards Organisation of Nigeria (SON),
- National Centre for Agricultural Mechanization (NCAM),
- National Stored Product Research Institute (NSPRI)
- National Sesame Seed Association of Nigeria (NSSAN)
- National Shea Products Association of Nigeria (NASPAN)
- The Agricultural Development Project (ADPs: the 8 states)
- Nigeria Agriculture Quarantine Service (NAQS)
- Nigerian Institute for Oil Palm Research (NIFOR)
- Federal Produce Inspection Services (FPIS)
- Forestry Research Institute of Nigeria (FRIN)
- Nigerian Agricultural Extension Research and Liaison Services (NAERLS)

# **1.5. THE PROJECT BENEFICIARY LOCATION/STATES**

# 1.5.1. For Shea-nut/butter

- Oyo State (Ilua village, Saki LGA)
- Kwara State (Kaiama, Kaiama LGA)
- Kebbi State (Bagudo, Tsamiya LGA)
- Niger State (Babangi, Kacha LGA)

# 1.5.2. For Sesame Seed

- Kogi State (Anyigba, Dekina LGA)
- Benue State (Gbajimgba, Guma LGA)

- Taraba State (Suntai, Bali LGA)
- Borno State (Bama, Bama LGA)

# **1.6. THE PROJECT'S IMPLEMENTATION STRATEGY**

The NEPC is the Implementing Agency for the STDF Project 172. The International Trade Center (ITC) is the supervising Agency, and an International Consultant (IC) is recruited to provide technical inputs and guidance during the project implementation.

#### **1.6.1.** The Components of the Project

The project has 5 components of various activities spearheaded by the Lead Agencies with assistance from the Supporting Agencies for effective implementation. The International Trade Center (ITC) is the supervising Agency, and an International Consultant (IC) is recruited to provide technical inputs and guidance during the project implementation.

These components include:

- <u>Component 1</u>: Baseline Documentation Improving documentation on current practices of quality control for Nigerian sesame seed and Shea products exports.
- <u>Component 2</u>: Quality Control & Traceability Implementation of robust field quality control system for Nigerian sesame and Shea products.
- <u>Component 3</u>: Capacity Building Train Producers, Traders, Exporters and Standards Enforcement Officers to adopt and implement the improved Food Quality Management System.
- <u>Component 4</u>: Information Sharing and Empowerment Disseminating project information, studies and results to all Stakeholders.
- <u>Component 5</u>: **Collaboration and Sustainability** Strengthening the public-private dialogue and partnership in the Nigerian Shea-nut and Sesame seeds sectors

#### 1.6.2. The project start-off

• The project commenced with a start-off meeting of stakeholders on the 14<sup>th</sup> October 2010, followed by mobilisation of the project's collaborating institutions as stated thereafter.

#### 1.6.3. The mobilisation of the project's collaborating institutions

- The project coordinator (PC) briefed the major institutions on the work plan, outlining their responsibilities, and related assigned tasks
- Mobilization of the relevant institutions, Agencies and Stakeholders saddled with various assignments as listed in the project document.

#### 1.6.4. The visits and mobilization of the project participating states

• Series of advocacy visits to the 8 participating States by NEPC Officers spearheaded by the Project Coordinator to brief them about the project and solicits their support.

#### **1.6.5.** The visits of the representative of the ITC

• Visits of Ms Ludovica Ghizzoni, representative of the ITC in January 2011, February 2012 and August 2013 to meet Stakeholders' and chart a focus for the project implementation.

# 1.6.6. Appointment of the International Consultant (IC)

 Appointment of Dr. Bruno Doko, the International Consultant (IC) to provide technical guidance and inputs through field visit missions, advisory services, and review of documentation, leading to the project successful implementation. The field visit missions occurred in May 2011, February 2012 and August 2013. The review documentation concerned the major deliverables, project documents, advisory services, e.g. recommendation on location and relevant necessary needs of sites pertaining to a proper implementation of the project as far as compliance to safety measures are concerned.

# **1.6.7.** Initiation of the project activities

- Commencement of the activities of the various components listed in the project document, spearheaded by the lead institutions and Agencies, with assistance from the support stakeholders, the project' IC:
  - NCRI:- spearheaded with other supporting agencies the socio-economic characterization sesame seed and sheanut/butter under Component 1
  - NAFDAC:-conducted physico-chemical and biological assay on samples collected from the characterization field exercise as well as the establishment of HAACP, Sampling Plan and Traceability System under Component 1 and 2
  - SON:-under component 1 in conjunction with other support agencies reviewed and updated the NIS Standards on sesame seed and sheanut/butter.
  - IITA:-under component 1, developed a simple predictive model for aflatoxin and fungi growth in sesame seed and sheanut/butter.
  - IITA and NAFDAC:- conducted with other agencies training on best practices and compliance to the improved food quality management system under component 3

#### **1.6.8.** Fabrication of Shea-processing machines

• The fabrication thereafter of 4 sets of Shea-processing machines and eventual delivery to the beneficiary States in November, 2012, with the installation, test-running and training of personnel to man the equipment.

#### 1.6.9. Fabrication of Integrated Sesame Seeds Cleaning Machines (and delivery to locations)

• The fabrication of 4-sets of Integrated Sesame Seed Cleaning Machines and delivery to the 4 beneficiary States, with the installation, test-running and training of personnel to man the equipment.

# 1.6.10. Production and submission of project's reports

- Submission of the report of Characterization exercise under Component 1 by NCRI, NAFDAC and IITA.
- Submission by SON of the revised NIS standards on sesame seed and sheanut/butter under Component 1.

- Submission by NAFDAC of the outcome of the establishment of HACCP Plan, Sampling Plan as well as the development of a traceability system for both sesame seed and sheanut/butter under Component 2.
- Submission by NAFDAC and IITA of the report of the training on best practices to adopt and implement the improved food quality management system under Component 3.

#### 1.6.11. Provision of the Site Plan to house the machines (to 8 states)

- Provision of the Site Plan for housing the machines to the 8 beneficiary states by NEPC, to facilitate timely meeting of target in constructing the shelter, and monitoring by the Council to ensure construction.
- The eventual construction of the housing for the machines by the 7 states (NEPC constructed one as model to encourage the other 7 states) with provision of required facilities.

# 1.6.12. The Communication issues

- Construction of a functional and active website for the project, constantly up-dated.
- Production of project's promotional items, e.g. flyers, jingles, banners, etc.
- Continuous publicity and awareness creation of the project through various mass media:
  - press, radio, TV,
  - internet , social networking, etc.

#### 1.6.13. Capacity building activities

- Facilitated the training programs under Component 3 towards:
  - extension agents, standard enforcement officers,
  - traders, exporters, and related associations, etc.,
  - 4 production sites : 2 sheanut butter sites (Saki and Babagi), and 2 sesame seed sites (Anyigba, and Gbajimgba),

#### 1.6.14. Post-processing activities

- For sustainability purposes, the NEPC through a public-private sector partnership strategy conducted selection of suitably qualified investors based on their capability, credibility and their ability to manage the sites as recognized reference export production centers for sheanut/ butter and sesame seed.
- Preparation of MoU: Based on the recommendations of the ITC, the NEPC facilitated the visit of a lawyer from Sidley Austin LLP, USA, to visit 2 centers (Saki, Oyo State and Anyigba, Kogi State), he met the cooperatives and the selected investors, resulting in the preparation of a workable and acceptable MoU for the management of the centers.

# 1.7. COORDINATION OF THE PROJECTS' ACTIVITIES

- The coordination of the project activities were carried out by the PC in conjunction with the project secretariat.
- The various project outputs were directed to the IC for revision, comments and recommendations.
- The coordination and management were carried out under the supervision of the ITC.

# **1.8. ACKNOWLEDGMENTS**

#### 1.8.1. Donors

The NEPC together with the project beneficiaries would like to express their warmest thanks to the STDF/WTO, for their strong backing, and also to 8 states ADP and the local communities that had at their levels contributed through land donation, infrastructure provision, financial support and technical supports.

#### 1.8.2. International/National Institutions and Stakeholders, etc...

The NEPC is very much thankful to the ITC for its technical inputs and active supervision of the project. The active support from national institution/agencies such as NAFDAC, NCRI, IITA, NCAM, NSSAN is warmly appreciated. Their prompt response and unflinching co-operation contributed to the successful implementation of the project.

#### 1.8.3. Other contributors

The NEPC together with the project beneficiaries are thankful to other Agencies e.g., SON, NASPAN, NSPRI that had also provided backing for the implementation of the STDF Project 172.

This document presents "An Overview of the Implementation of the STDF Project 172".

This document has been prepared in consultation with the project colaborating institutions/agencies and several sector stakeholders.

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This document is part of a set of documents developed under NEPC's coordination, involving all stakeholders, in its effort of contributing to the improvement of the quality and compliance with Sanitary and Phytosanitary measures of sheanuts/butter and sesame seeds from Nigeria.

Fo more information on NEPC: www.nepc.gov.ng

For more information on STDF: www.standardsfacility.org

For more information on ITC: www.intracen.org

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