PEER REVIEWING KWARA STATE

BY

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When the Peer Review Team of the Nigeria Governors' Forum Secretariat comprising of researchers, journalists and secretariat staff led by the NGF, Director-General, Mr. Asishana Okauru arrived Kwara State in July, 2009 on Peer Review, they were confronted by an entirely novel model of development. Perhaps, the approach of the state government was dictated by situation on the ground.

While most of the states visited before Kwara (10 of them) took the team on inspection tour of several mini-projects across their states, it was obvious that the Kwara helmsman, who is the current Chairman of the NGF had other ideas. While not neglecting mini-projects which are beneficial to the citizens of his state, his emphasis has been on some three or four mega-projects which on completion will have tremendous impact on citizens across the state. This itself is a best practice which should be studied by states in a similar situation.

Shonga Farm Project

Take the Shonga Farm Project as an example. It is arguably the biggest and most popular initiative of that state government. It came into being after deep deliberation and even a false start. Because 70% of the state's citizens are into agriculture, Governor Bukola Saraki felt that the best way to improve the economic status of his citizens is through agriculture.

So on his accession to power; he immediately embarked on a back-to-land campaign for farmers with the provision of subsidized fertilizers, pesticides, herbicides and other inputs but at the end of the farming season, there was nothing to show for it. The authorities then went back to the drawing board and discovered the missing link – that there was a skill gap. The implication is that even if the inputs were subsidized, the know-how to translate them into profitable output was lacking.

Coincidentally, around that time Zimbabwe was on the boil with white farmers land being seized all over the place prompting an exodus of those farmers. So Governor Bukola Saraki decided to take advantage of it by inviting those highly skilled farmers over to Kwara to replicate their feat there and transfered same to local farmers. They came in 2003.

The first challenge was to find them a suitable location. Four sites were identified in the state for a large, commercial farm and at the end of the day Shonga was chosen because of its closeness to River Niger. In carving out land for the whites, local farmers were taken into consideration. That is why the team observed some white and farms operating side by side. In situations where the locals could not be accommodated, according to state officials, they were relocated not very far from the commercial farmers in order to enable them tap from the farmers' skills. Of course, they were compensated and given some incentives and agric package which included bicycles, motorcycles and their lands were cleared to enable them settle in their new environment.

Meanwhile, the 13 commercial farmers were settled on 1,000 hectares of land each. The state government jumpstarted the project with an initial loan to enable them build their own houses and bring in their equipment.

The Shonga Holding Company was incorporated by a syndicate of five banks and the farmers that partnered with state. The participating banks are (1) Fin Bank (2) Intercontinental (3) Bank PHB (4) Unity Bank and (5) Guaranty Trust Bank (GTB). N200million was contributed initially by each of the banks which amounted to N1bn. The second tranche of N300million per bank brought additional N1.5bn into the coffers of the company. All the initial investment of Kwara State Government in housing, equipment, lands clearing were counted as the state's equity in the project. Breakdown syndicate has 70%; farmers 30%.

According to briefings given the team on Shonga Farm, the 13 farmers were grouped into 3 syndicates. First are the dairy farmers. Their sole business is to produce and market their milk, yoghurt and other milk products. Although they cultivate maize for silage and soya beans as feedstock for their cattle, their primary business is selling of dairy products. Their crops are not meant for the open market but for use in the Shonga Mill as feedstock.

The second syndicate comprises of the poultry farmers with 25,000 birds. The abattoir is capable of processing 10,000 birds per day. It is noteworthy that while most birds in Nigerian poultry farms are put in open-ended houses thereby exposing them to the elements, which is an old technique, the Zimbabweans have introduced the intensive closed houses which is more bio-secure as it provides the birds better protection from avian flus. This is a best practice which other states should encourage their farmers to adopt.

The third syndicate comprises of the mixed croppers who are not interested in value adding through poultry or dairy farming. All they do is cultivate maize, rice, cassava etc and sell their produce. They need irrigation more than the other two syndicates although every farmer will have access to the irrigation.

It was also observed that this project has brought a lot of development to this area. Although formerly not connected to the National grid, the project has led the state government to invest in 3 sub-stations to service the farm and neighboring villages. The irrigation project under construction is also not targeted at the commercial farmers alone but at locals too.

The irrigation project, the team was informed, was supposed to be a Federal Government Project but when FG approval was not forthcoming the State Government took over and revised its cost from the original of N2.8bn to N8bn. The state had taken over by spending about N870m on the project before the Federal Government stepped into it and all the state is trying to do right now is to disengage from the contract. The objective is to provide irrigation for over 100 hectares of land for each of the farming entities. The team saw boreholes and reticulations everywhere.

TACKLING POWER CONSTRAINTS ON FARMS

Because of the epileptic supply of power to Shonga and its environs by the Power Holding Company of Nigeria (PHCN) and the non-connection of the area to the National grid, the state government has stepped into the funding of a sub-station to the tune of about N1bn to draw power from Kainji Dam to provide energy to the irrigation project which is benefitting the commercial farmers and neighboring villages.

About 16 villages in Shonga district are beneficiaries and the original landowners have been compensated to the tune of N160m for their economic trees which were felled and in form of agric incentives. The project has now gone beyond Kwara Government and belongs to Shonga Holdings. It is a typical Public Private Partnership. One of the first of its type in the country.

BENCHMARKS

The following benchmarkable practices were observed:

a. Commercial farmers don't dig ridges. They plant on flat which initially was strange to the locals but they have now begun to adopt it because it is labour-saving.
b. While white farmers apply fertilizer at the point of planting a practice which was alien to the locals who felt the fertilizers would burn up their seeds, they have now started to copy after observing the Zimbabweans for a season.
c. The Kwara State Government has a farm at Molete to train a successor generation of commercial farmers for the state. The

c. Difficult to move huge quantities / volumes of diesel and other consumables into the farm. It tells on cash flow. A lot consumed – about 50litres a month to run the plot. There is need for more regular supply of electricity from PHCN to bring down cost but the governor has directed officials to get the costing of a dedicated line to improve supply.

d. Because soyabeans is not widely cultivated here, there is need for government protection of local farmers.

All the same, there are huge benefits already derivable from the project. Already Chicken Republic and some other firms are already angling for their products. A lot of farm produce are in store, e.g 210 tonnes of soyabeans, 2 trailers of rice and 70 tonnes of seeds. Expected sales from crops this year is about N30million.

GAMO POWER SUB-STATION

There is no doubt that Kwara State's biggest power project is the 240-megawatts one located in Gamo. It is meant to address the acute power problems of the state. This project has been on the drawing board of Kwara State Government over the past 26yrs until Governor Bukola Saraki came on board.

The Governor initially tried to get the FG to build it but when he discovered that it was a slow process, he went into negotiations with the contractors to build it and be reimbursed. Total cost is N4.5billion comprising of both onshore and offshore components. It has now been completed and was energized on 23rd January, 2009. State now almost effectively covered and this is bound to boost the economy of the state by enabling artisans to have access to power for their operations.

Compare with a situation in the not-too-distant past when the state used to get power from Osogbo in Osun State which hovered around 30 megawatts or less per day. Industrialists were spending up to N200million on diesel per month-a wasteful expenditure. Now with regular power supply, it's a cost saving of N2.4billion per annum, not to talk of benefits accruing to householders and artisans who need power for their jobs.

There are some challenges as regards evacuation of power from the sub-station and transmission to certain areas. Towards alleviating these problems, government has ordered equipment worth N1bn and awarded contracts of about N64m. Out of 215 small transformers needed, the state government has installed 160. The state is almost fully prepared to have regular power supply which will have multiplier effect on the economy of the state.

The president who visited Kwara during the team's inspection was so impressed that he promised to reward the governor for his initiative by extending the 132KV line so that all parts of the state will be covered.

ASA DAM WATER PROJECT

Another project that is bound to impact positively on the health status of Kwarans is the Asa Dam water project. The state sought FG help to address problems of water scarcity but the FG insisted that the state should rehabilitate existing waterworks before coming in. Therefore, the state did that at the cost of N900m and upgraded it from 12million gallons to 13.5million gallons per day (Multiply by 4 to convert to cubic litres).

Then, the FG awarded another contract of 12million gallons per day treatment plant which was completed in January last year. Now, the existing capacity is 25.5million gallons per day. Above all, the state government has awarded a N2.4billion contract to take water from the river to the treatment plant and from there to the taps.

Also, it has been discovered that most of the pipes laid since 1965 are rusted and that if nothing is done about it, there is going to be a lot of wastage with so much existing capacity. Consequently, another contract of N7bn has been awarded by the state government to take care of that.