



## SMALL FAMILY FARMS COUNTRY FACTSHEET



### THE CONTEXT OF AGRICULTURE AND THE ROLE OF SMALL FAMILY FARMS

The Federal Republic of Nigeria is a lower middle income country situated in the West African region with a coastline on the Atlantic Ocean forming the country's southern border.

Regardless the importance of oil exports, agriculture remains the cornerstone of the Nigerian economy, employing 36.5 percent of the entire labour force, thus being a meaningful source of livelihood for the majority of the population. Despite an economic contraction in recent years, the value added of the agricultural sector remains relatively high with 21 percent of GDP.

Among Nigeria's farmers around 88 percent are considered small family farms. They depend on a diverse range of crops, livestock and fishes. Despite

their importance for the domestic economy and due to the sector's productivity limitations, more than 72 percent of Nigeria's smallholders live below the poverty line of USD 1.9 a day.

### KEY CHARACTERISTICS OF SMALL FAMILY FARMS<sup>1</sup>

#### General aspects

Nigeria's small family farmers own 0.5 hectares of land on average, predominantly managing mixed crop-livestock systems, including also fish farming. However, not only for Nigeria's pastoralists livestock keeping plays an integral role for their livelihood. 7 Tropical Livestock Units (TLU) are kept by a farming household on average both for consumption and income, with cattle being the single most important species followed by poultry. The average smallholder household consists of more than 6 household members, with an average educational attainment of the household head of 5 years. Among Nigerian small family farms men usually have the decision-making power and only a little share of farms of around 13 percent are female headed.

#### Economic situation and diversification

On average, 55 percent of a Nigerian farmer's annual gross income of USD 9 815<sup>2</sup> is earned from agricultural activities, among which crop production accounts for 49 percent and livestock keeping adds around 6 percent to the average annual income. The cropping system is characterized by diversification of production, mainly relying on 5 major crops (maize, cassava, yams, beans and millet), hence, food as well as income sources are highly diversified and not depended on only one crop. Although farming is the primary occupation, a relatively high share of income of 43 percent stems from non-agricultural wages, indicating that Nigeria's smallholders diversify their income-generating activities beyond agriculture, particularly by running an own business in retail or manufacturing. In this way, Nigerian smallholders can reduce their degree of exposure to both natural (mainly droughts and fires) and man-made disasters (e.g. displacement or armed conflicts).

### AT A GLANCE

- **Most populous country in Africa** reaching nearly **186 million inhabitants**, with one of the **largest youth population** worldwide.
- Nigeria's economic performance relies on oil exports, making the **country's GDP growth heavily depended on volatile oil prices** (8 percent GDP growth in 2006; -1.5 percent GDP growth in 2016).
- More than **half of the population lives below the poverty line** of USD 1.9 a day (2011 PPP), among them **the majority lives in rural areas**.

Source: World Bank, 2018.

<sup>1</sup> Unless indicated specifically, the data in this factsheet is taken from the LSMS survey 2013, analyzed by the SMALLS Team in FAO ESA. A detailed methodology description can be found online on the FAO Family Farming Knowledge Platform. The SMALLS Team would like to acknowledge the country office of Nigeria for having provided valuable feedback.

<sup>2</sup> All monetary values in this factsheet are expressed in constant 2009 international dollar.

Informal channels such as local markets, where products are sold directly to the public, remain the main marketing channel for Nigerian smallholders. However, trade is virtually non-existent as the highest amount of crops produced is consumed by the household itself (87 percent). This underlines the potential that increased agricultural output could have on trade, hence, also on income and poverty reduction of Nigerian family farms.

### Productivity and technology

Nigeria's small family farms face many challenges that constrain their agricultural productivity. On average, a distinctively low share of 2 percent of their crop land is irrigated, resulting in a high reliance on rainfed agriculture and also affecting the adequate availability of feeds and grazing lands for livestock. Moreover, only 16 percent of all small family farms have access to motorized equipment and only 6 percent of the households benefit from agricultural extension services in form of knowledge and information transfer. High expenses for agricultural inputs, estimated at almost 20 percent of the value of production, hinder productivity even further. Nevertheless, compared to other West African countries, Nigerian farmers have an intensified application of fertilizers. 44.5 percent of the households use fertilizers with 347 kg per hectare on average.

The average small family farm in Nigeria sources labour from family members with an almost balanced proportion of labour dedicated to off-farm and on-farm activities.

### Constraints

Nigerian family farms sell only 26 percent of their agricultural products on average, indicating the high share of domestic consumption. Furthermore, only 7 percent of Nigeria's smallholders have access to credit. Improved agricultural financing could increase a smallholders' capacity to invest in farm inputs and mitigate risk for sustainable livelihoods. Enhanced transportation infrastructure could facilitate smallholders to participate in local or other markets and to overcome the distance of their farm to the nearest road of 14km on average.

SMALL FAMILY FARMS IN NIGERIA		SMALL FARMS	OTHER FARMS
Farm aspects	Average farm size (ha)	0.53	3.14
	% of smallholders on total farmers	88.4	11.6
	% female headed households	12.7	1.3
Income and poverty	Household income (const. 2009 Int.\$)	9 815	7 095
	% of income from crop production	49	56
	% of income from on-farm income	55	60
	% of income from agricultural wage labour	1	1
	% of income from non-agricultural wages and self-employment	43	37
	Smallholder poverty rate	73	80
Labour	Family labour-days supplied on farm over a day period (person days)	0.41	0.49
	Family labour-days supplied off-farm over a day period (person days)	0.68	0.78
Production	Value of crop production (const. 2009 Int. \$)	1 354	2 886
	Amount of food produced (const. 2009 Int. \$)	1 181	2 165
	Value of food production per ha (const. 2009 Int. \$)	3 157	817
Capital and inputs	Livestock (TLU)	7.3	7.7
	% of households using motorized equipment	16.2	8.3
	% of households using fertilizer	44.5	52
	Fertilizer per hectare (kg)	347	47
	Seed per hectare (kg)	1 040	117
	Irrigation (% of land)	2	2
Markets	% of households selling crops through informal channels*	100	100
	% of households selling crops in the local markets* * 63 percent of households reported this information	94	88
	% of households buying ag. inputs in the local markets* * 58 percent of households reported this information	94	93
Innovation and technology	% of households recipient of extension services	6	5
Constraints	% of agricultural production sold	26	31
	% of expenditure for inputs on value of production	18	13
	% of credit beneficiary households	7	6
	Distance of land from road (km)	14	18

Source: FAO. 2018. Smallholders data portrait (available at [www.fao.org/family-farming/data-sources/dataportrait/farm-size/en](http://www.fao.org/family-farming/data-sources/dataportrait/farm-size/en)).

### SMALLHOLDER DATAPORTRAIT

The Smallholder Dataportrait is a comprehensive, systematic and standardized data set on the profile of smallholder farmers across the world. It can generate an image on how small family farmers in both emerging and developing countries live their lives. It is about putting in numbers, the constraints they face, and the choices they make so that policies can be informed by evidence to meet the challenge of agricultural development. Currently, the data portrait provides information for nineteen countries.

### REFERENCES

- Consultative Group to Assist the Poor (CGAP). 2017. *National Survey and Segmentation of Smallholder Households in Nigeria*. Washington, DC.
- FAO. 2016. *Review of the Livestock/Meat and Milk Value Chains and Policy influencing them in Nigeria*. Rome.
- World Bank. 2018. *The World Bank in Nigeria*. Washington, DC.

For more information about SMALL FAMILY FARMS

Please visit: [www.fao.org/family-farming/themes/small-family-farmers](http://www.fao.org/family-farming/themes/small-family-farmers)

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