

Africa must look inwards and add value to locally produced food

... *Abdul Samad Rabiu tells FORBES Africa*

Nigerian billionaire Abdulsamad Rabiu and founder of BUA Group says Africa must remove its reliance on imports and add value to locally-produced food as much as possible. The Nigerian billionaire who is the founder of BUA Group, a Nigerian conglomerate active in cement production, sugar refining and real estate, has embarked on an ambitious 20,000-hectare large-scale sugar plantation featuring other ancillary production facilities such as a sugar mill, sugar refinery, and ethanol and power plant in Africa's biggest and most populous economy.

The Group currently has two “ultra-modern and automated mega sugar refineries” in Lagos and Port Harcourt in the country with a total combined installed refining capacity of 1.5 million metric tonnes, but say the new initiatives, for which it has secured more land in both Kogi State and Kwara State to establish sugar plantations in the future, will add significantly to the development of Nigeria's local sugar industry.

“I am passionate about looking inwards and seeing what we can do as Africans,” says Rabiu in a recent interview with FORBES AFRICA. “We realized that a large amount of money was being spent on importing raw sugar and we asked ourselves ‘why can't we solve this problem and produce locally?’” adds the entrepreneur with a real time net worth of \$5.7 billion according to Forbes.

Russia's war on Ukraine has sparked a global food crisis and Nigeria, Africa's most populous economy, traditionally reliant on food imports, is facing the brunt of this. In a recent report published by the United Nations World Food Program, Nigeria, along with Ethiopia and

South Sudan, are amongst the countries with the direst conditions. The report asserts that 19.5 million Nigerians are “facing high levels of acute food insecurity”. Furthermore, when it comes to children under the age of five the report estimates that about 1.7 million will be prone to acute malnutrition by August this year, signifying a 34% rise from 2021 figures. Reflecting on these numbers, Rabiu believes that there has to be a fundamental shift in Africa's approach to food production.

“Eighty percent of the food we consume in Africa is imported so when you have a situation like the Russia-Ukraine war which has had a knock-on effect on food imports, where last year alone we imported over 55 million tonnes of wheat, the current crisis we are facing is bound to happen,” says Rabiu. His concerns are shared by Akinwumi Adesina, President of the African Development Bank (AfDB) who in May this year approved a \$1.5 billion facility to help over 20 million African farmers to produce 38 million tonnes of food. “We are facing a situation where food prices are skyrocketing by the day. Wheat has gone up from \$250 to about \$600 per tonne; this accounts for a 60% increase in the past year,” says Rabiu. The price hikes in importing wheat means a further increase in prices to consumers who are already struggling to make ends meet. According to Rabiu, the only way to avoid this situation in the future is to remove our reliance on imports and add value to locally produced food as much as possible. “We need a concerted effort to increase our homegrown production,” says Rabiu. Adesina and the AfDB are hoping that by making the credit facility available, African farmers can do exactly what Rabiu is suggesting and begin to increase the supply of food to curb impending disaster.



ADDING VALUE TO AGRICULTURAL PRODUCE