

Face to Face at World Cashew Convention 2017

“For cashew, our projection since 2014 has been steady and has been increasing. We dealt with 130,000 metric tonnes in 2014 and in 2016 it was 175000 metric tonnes. Now we intend to process and export cashew kernels which will further strengthen our economy. Value addition can make an identifiable impact on the economy. We are also working on a plan to promote cashews as a staple food and thus promote consumption of cashews by replacing groundnuts with that of cashews”

Mr Olusegun Awolowo, CEO, Nigerian Export Promotion Council

An Exclusive Interview with Mr. Olusegun Awolowo, CEO, NEPC – Nigeria, at the World Cashew Convention, 09-11 Feb, 2017, Singapore



As the oil prices are down, what is the impact of the agricultural produce on the Nigerian economy? What percentage does cashew constitute?

The oil crash is a wake-up call for Nigeria, as we now know the importance of agriculture and the need to diversify our economy. The Government has realized that it is time to step up on other products, which we could export and earn foreign exchange. Nigeria had earned USD 70 billion in 2014, but it reduced USD 40 billion in 2015, so that’s a loss of USD 30 billion and hence you can see the effect of this on the economy, and hence we witnessed a recession. To get out of recession, the most important thing is to look at the supply of foreign exchange. We had to export other commodities to have better foreign exchange and that’s what the government is focused more on complete diversification of our economy. To this effect, we have formulated Nigerian Industrial Plan. As, we all know, no nation has achieved progress by just selling raw materials, hence we need to Industrialize in order to take advantage of all the natural resources available in Nigeria. Under the Nigerian Industrialization plan, we have identified 13 strategic crops which Nigeria should embark on to replace Oil and cashew is one of them.

For cashew, our projection since 2014 has been steady and has been increasing. We dealt with 130,000 metric tonnes in 2014 and in 2016 it was 175000 metric tonnes. Now we intend to process and export cashew kernels which will further strengthen our economy. Value addition can make an identifiable impact on the economy. So we are here at WCC to meet potential processors, who have a synergy with them and set up processing plant in Nigeria. We need to increase our production further, export a part of RCN and process and add value for the rest in Nigeria itself. We are also working on a plan to promote cashews as a staple food and thus promote consumption of cashews by replacing groundnuts with that of cashews.

Could you please explain us about the Export Expansion Grant Program and how is it affecting the exporters?

The Export Expansion Grant (EEG) is an incentive scheme introduced in order to drive exports. Since its inception, it has shown a steady improvement from 600 million dollars to about 3 billion dollars. At the same time, it has faced a lot of challenges and the government had to suspend it as it was unsustainable. Now, we have worked it out well and launching it again in February-2017 with a new EEG, which will be post shipments incentive. Earlier, it was export development fund, which was a pre-shipment incentive. So, we are now able to help a lot SMEs and MMEs to focus and grow as big companies and to get out of recession and EEG is a part of that.

Mention the various initiatives taken by NEPC to improve the cashew sector?

On this, we are working with NCAN, Federal Ministry of Agriculture under the Agriculture Promotion Plan. We are having new initiatives for cashews, and we are more interested on improving the quality of our nuts, to maximise potential exploitation of yields, and you are already witnessing the growth in our yields. We are hopeful of achieving 250,000 metric tonnes in the next two years with better quality, with maximum focus to improve the moisture of nuts. When we start processing in large volumes, that's where the actual joy begins for the Nigerians.

Do you think Nigeria will be able to handle Foreign Direct Invest, what steps are to be taken to implement the same?

We are looking more at the local investment. We have Nigerians with lots of money and other looking at as to where to invest it and we are pointing out at Cashews. We had a new level of Businessmen who are interested in cashews like exporters and processors. We have a lot of foreign investors in Nigeria who reach the farm gates to buy the products from the farmers, but a lot of Nigerians are also interested in Business. We are encouraging them just not by exporting the RCN but by setting up processing plants by which we can get more money and they understand its importance.

List out the achievements of NEPC in 2016 and your goals for 2017

Mainly it increases the level of awareness on cashews, launching of zero oil plan, which indicates that Nigeria can survive even without oil. We have invited 11 categories at A sector and 12 categories at B sector, which shows Nigeria can make lot of progress if we follow it properly. For e.g., in category A, we have petrochemicals, which is trading internationally. So, we are trying to build more refineries so we can export more, first in West Africa and then to the rest of the world. I think, when our economy rebounds, it will bounce back as an export led orientated economy.

What's your view on WCC? What are your expectations for next year?

My expectation is to build up and grow better than last year. We have brought more private sector business in and we are looking to engage with them and address to their partners with more B-B interactions and particularly we are looking in to encourage more investments into processing in Nigeria and there are already a lot of interest among investors.