



# H1 2023 Nigeria's Agriculture Snapshot

The agricultural sector reversed its first Quarter contraction growing by **1.50%** in Q2 2023 compared to **-0.90%** in Q1 2023 and 1.20% in Q2 2022. This could be attributed to the sustained growth in Crop production (**1.8%**) and Forestry (**1.9%**) sub-sectors, as well as the rebound in Fishing sub-sector, which grew by **0.3%**. Overall, the sector's GDP grew by only **0.3%** in H1 2023.

**0.3%**

H1 2023 GDP average growth rate which is below the average growth of **2.2%** in H1 2022.

**19.6%**

H1 2023 GDP contribution to overall GDP which is lower compared to **21.5%** in H1 2022

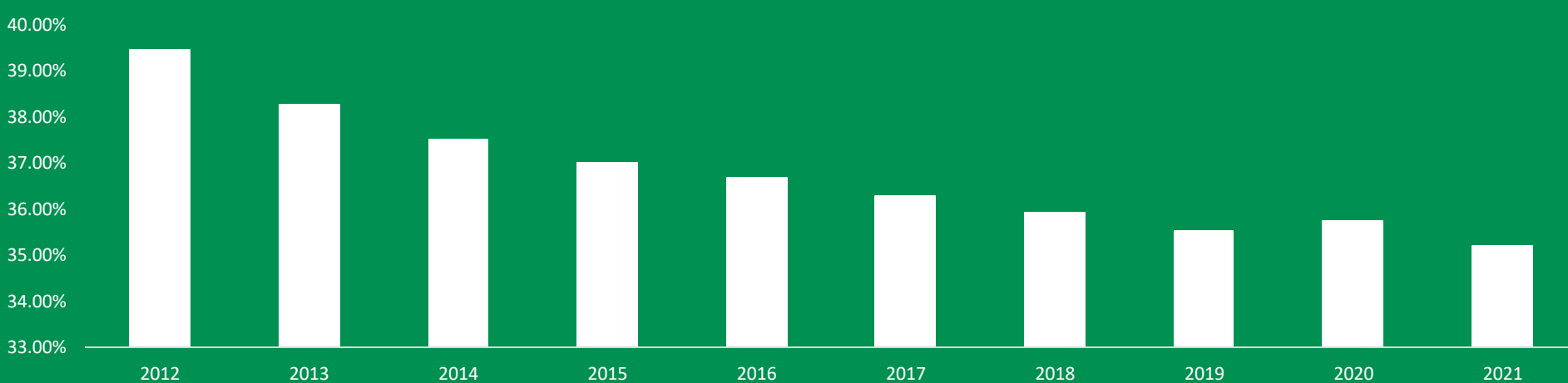
**3.0%**

GDP growth contribution to overall GDP growth in H1 2023 which is much lower compared to previous years

**-32.4%**

Value Added Tax (VAT) Growth rate in Q2 2023

Recent data from *statista* indicates that the Agriculture sector's contribution to overall employment in Nigeria has been consistently decreasing, and the recent slowdown in the sector's growth suggests that this trend is likely to continue deteriorating.



In H1 2023, the total value of agricultural exports almost surpassed the total value of exports in 2022. The imports into the sector was also at a high level.

**N926bn**

Value of imports in the Agriculture sector H1 2023

**8.18%**

Share of Agriculture sector in total imports H1 2023

**N560bn**

Value of exports from the Agriculture sector H1 2023

**4.15%**

Share of Agriculture sector to total exports H1 2023



In H1 2023, these were the top 5 produces that were exported and their values:

1. **Cocoa Beans** - N148.13bn
2. **Cashew nuts** - N147.83bn
3. **Sesame seeds** - N105.98bn
4. **Soybeans** - N102.24bn
5. **Flowers** - N32.90bn

The agriculture sector has been growing despite the damage Covid-19 brought to the economy in 2020. However, in H1 2023, the growth rate of the sector has been less than previous years.

Major reasons for the reduced growth rate of agriculture in 2023 H1 are:

- Scarcity of foreign exchange which affected the importation of inputs and machinery
- Naira scarcity at the beginning of the year which affected various businesses especially farmers
- Decrease in investments in the Agriculture Sector
- Low use of technology

To boost productivity in the sector, Nigeria needs to address the challenges that hinders it.

- Diversifying its export base and increase non-oil revenues by promoting value addition and processing of agricultural products.
- Provision of adequate infrastructure
- More access to finance and markets
- Adoption of technological innovations

## Contact Us



spurt.solutions



research@spurt.group



+2348161130265