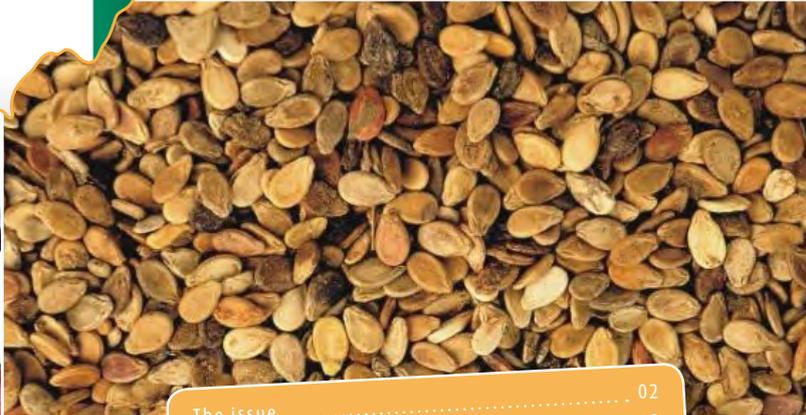




THE EUROPEAN UNION'S NIGERIA COMPETITIVENESS SUPPORT PROGRAMME



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Quality Products from Nigeria

THE NATIONAL QUALITY INFRASTRUCTURE IN ACTION



THIS PROJECT IS FUNDED BY THE EUROPEAN UNION



FEDERAL GOVERNMENT OF NIGERIA



THIS PROJECT IS IMPLEMENTED BY UNIDO

I. The Issue

The dried beans, melon seeds and other agricultural sectors in Nigeria are plagued by quality and food safety issues, in spite of their importance as contributors to the diet of Nigerians in the country and abroad. Farmers, traders, wholesalers and exporters alike employ chemical treatments without any coordination, leading to high contents of pesticide residues, very often multiple times the maximum residue limits established by international food safety bodies. Furthermore, some of the pesticides used in Nigeria are challenged for potentially causing cancer.

One of the root problems is proper storage along the chain from

producers to export. Lack of proper storage attracts pests, but also allows for growth of moulds, which in turn generate so-called mycotoxins, toxic substances that are believed to cause up to 40% of all liver cancer in Africa. Mycotoxins can be passed from mothers to babies through breastfeeding.

As a consequence of persistent quality problems, dried beans are temporarily suspended from export to the European Union. This hurts both the exporters as well as the rest of the supply chain. It also compromises the image of Nigeria as a reliable supplier of agricultural goods.

II. Introducing Conduits of Excellence

This situation clearly needs addressing. Loss of confidence in Nigeria as a reliable trade partner can seriously damage the country, especially when attempting to move away from the oil-only economy.

The good news is, however, that Nigeria has the key elements needed to address the quality issues: a new generation of highly motivated farmers wishing to find better ways of working, key infrastructure elements for proper storage, processors looking for new products and new markets, strong institutional support, international donors and the National Quality Infrastructure (NQI), being implemented by UNIDO with funds from the European Union.

UNIDO has developed together with stakeholders the concept of Conduits of Excellence.

Conduits of Excellence – through stakeholders' dedication to product quality – will unlock key markets and economic benefits, partly through access to high-value markets, partly through a reliable offering into markets that value quality.

To build a Conduit of Excellence, value chain partners will be **brought together around a key infrastructure element**, such as an existing silo. Educated farmers, motivated to employ modern farming methods and to embrace a quality approach to production, will work with forward looking processors that wish to produce high-quality goods for the local and the export market.

Farmers will commit themselves to using **Good Agricultural Practices and consistent record keeping**. At the same time, processors will commit themselves to operate a comprehensive **quality management system** to ensure the goods actually can reach high-value markets.

Extension service will **assist** with record keeping and will act as **information channels back to the farm** (results of sample tests, suggestions for improvement, etc.). Extension workers in the Conduits of Excellence bring to the table a sound understanding



Conduits of Excellence attempt to connect key infrastructure elements, in particular storage (such as silos), motivated and educated value chain partners with the National Quality Infrastructure in order to address current quality, safety and export issues.

of Good Agricultural Practices, pesticide treatments, mycotoxin avoidance and will be properly equipped to assist farmers and storage workers.

Agricultural produce will be brought to a local storage (e.g. a silo), operated under a **quality/food safety management plan** on the basis of HACCP. It will be the responsibility of storage operators to guarantee that **Good Storage Practices** are observed and material is kept in good condition.

Before acceptance of the raw material into storage, it will be **tested** by an **accredited laboratory** – or one that commits itself to becoming accredited within the next 12 months. Only material that passes the basic tests for moisture and critical pesticides will be allowed to enter the storage.

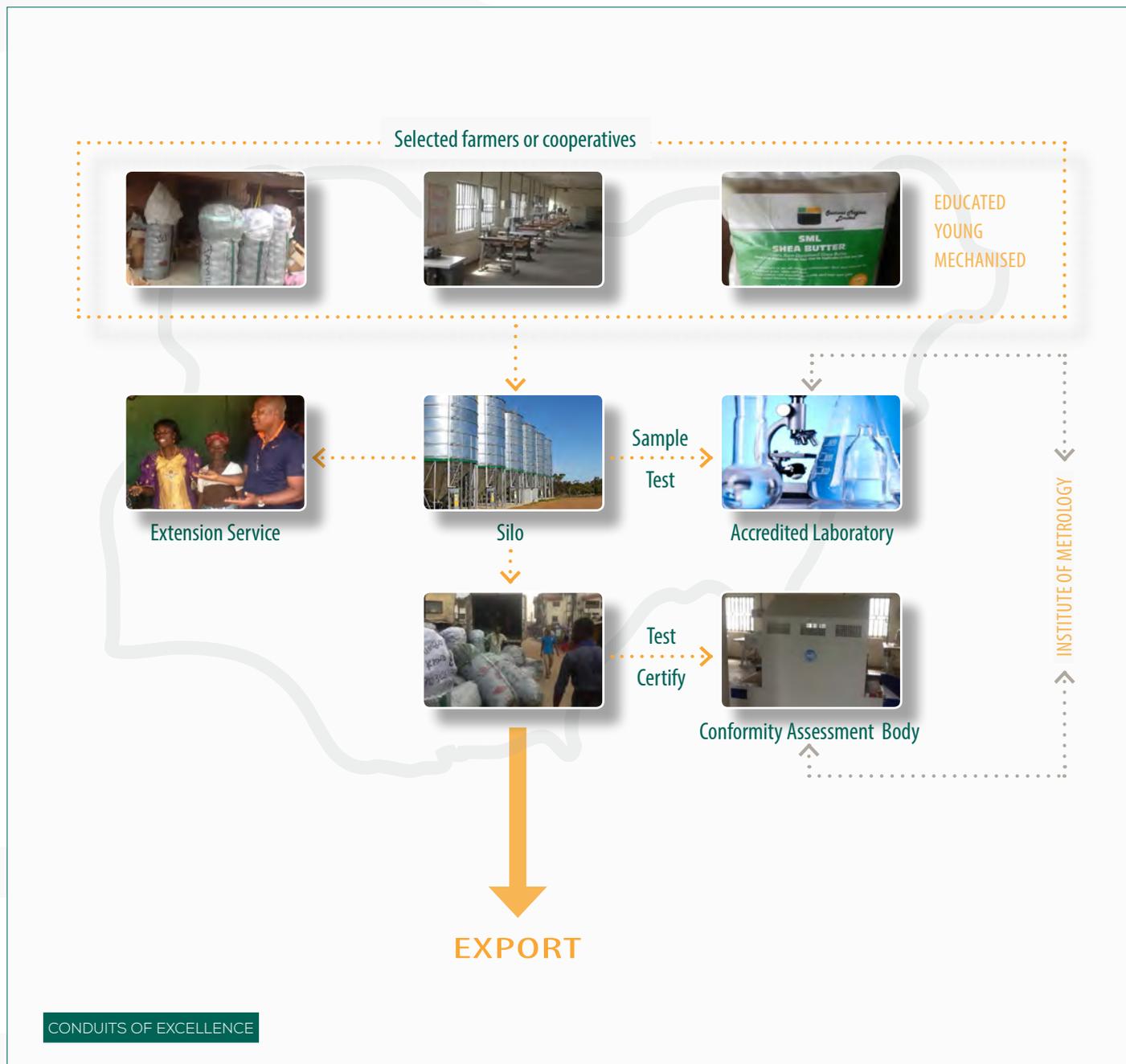


Figure 1: How the conduits of excellence work

Only processors and exporters willing to work with their supply base to produce **high-quality, safe products** will be part of the Conduits of Excellence. They will operate a quality management system and test their goods before export at one of the accredited or committed to become accredited national laboratories to ensure that the products are **perfect for export**.

All supply chain partners, including laboratories, will record their activities in a way that the quality and safety of products can be **demonstrated at every point**. Results of laboratory analysis will

be made available for continuous improvement and for convincing target markets of the **consistency of the quality management** in the Conduits of Excellence.

Wherever possible, international standards will be used, such as the ones developed by UN/CEFACT for the exchange of laboratory data. Analysis results from the accredited national laboratories will be available to the Competent Authorities of importing countries on demand.

III. Stakeholder Involvement

A Conduit of Excellence is a multi-stakeholder effort. It was developed together with representatives from SON, NEC, NAFDAC, NACCIMA, NEPC, NAQS, FACAN, NSPRI, FPIS, DVPCS, FMARD, APDFDA, AFAN, UnionBank, ICUREMARKET, RHABE, IAR, MAN, NAMBA and other public and private institutions.

A Conduit of Excellence integrates farmers, storage operators, processors, laboratories and extension services. NAFDAC as a Competent Authority for food and drugs and UNIDO as facilitator will play a supporting role.

Farmers, storage operators, processors and laboratories will be selected based on their commitment to quality, their vicinity and education in a gender-balanced way.

The value chain partners will be assessed for needs in training and equipment. Good Practices will be developed by the international and national expert teams and implemented together with the stakeholders.

Laboratories will be trained and mentored to become accredited against relevant international standards.

Quality standards will be developed for dried beans, melon seeds and potentially other agricultural goods and Conformity Assessment bodies trained in them with the aim of getting accredited. The SON Calibration Laboratories will assist with calibration methods and providing the required reference to calibration services utilised by the involved laboratories.

SON and NAFDAC, the Competent Authority of Nigeria for food and drugs, will accompany the Conduit of Excellence and ensure that products delivered by it are safe and adhere to required quality standards of importing countries. NAFDAC will also liaise with relevant bodies in the European Union to report on progress in improving quality and safety standards, with a view to eventually lift the export ban.

IV. Expected Outcomes and Timeline

The first Conduit of Excellence will be implemented in 2016. We foresee a 12-month effort, distributed in 5 work streams.

Once the first Conduit of Excellence has proven its viability, the creation of other Conduits of Excellence could be promoted, both in other regions of Nigeria, as well as in other non-oil sectors.

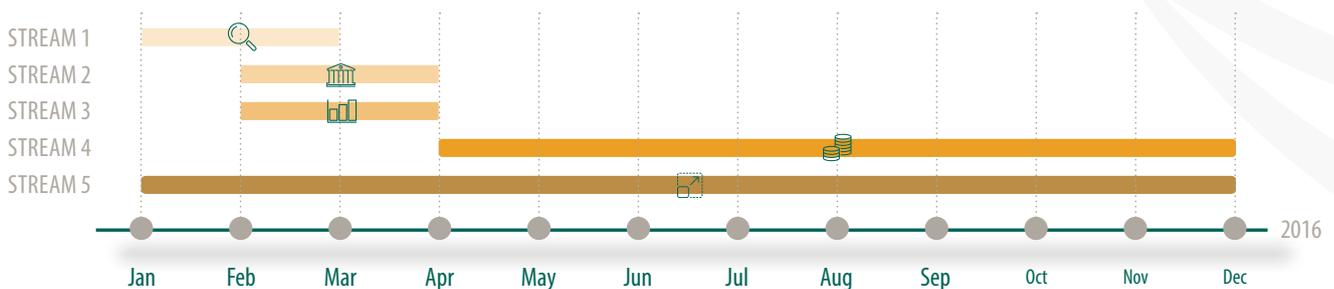
- STREAM 1: Selection of key stakeholders**
 where the value chain parties of the first Conduit of Excellence are selected.

- STREAM 2: Obtain Institutional Support**
 where the enabling public sector institutions are signed on and their role defined in detail.

- STREAM 3: In-depth Needs Assessment**
 where all parties of the Conduits of Excellence are assessed with respect to needs of training and equipment.

- STREAM 4: Financing and Execution**
 where sustainable funding is identified, Good Practices are developed, training units established and trainings executed.

- STREAM 5: Supporting activities**
 where quality standards are developed, government policies reviewed, conformity assessment (certification, inspection and laboratories) trained and eventually accredited and target markets informed of the activities of the Conduits of Excellence.



V. Sustainability of the Conduits of Excellence

Over time, the concept of the Conduit of Excellence should be replaced by quality-driven production everywhere; for the transitory period from the status quo to the full realisation of the quality driven approach, however, Conduits of Excellence can be

the role models, creating a desire with outsiders to join or create their own Conduit of Excellence.



VI. About NQI and UNIDO

The National Quality Infrastructure Project for Nigeria (NQI) is tasked with developing the country's missing quality infrastructure and enhancing the existing one in order to encourage improvement of the quality of products and services exchanged in Nigerian internal and export markets. This project is funded under the European Union's 10th EDF Programme for Nigeria and implemented by UNIDO in coordination with the Federal Government of Nigeria.

The Project has a total budget allocation of EUR 12,080,000 funds managed by UNIDO. The NQI project started on 19 July 2013 and is expected to conclude in April 2017.

The National Quality Infrastructure will act as an enabler to the Conduits of Excellence by providing technical assistance for a

consistent and stringent quality management. At the same time, the Conduits of Excellence will test the effectiveness of the NQI on a smaller scale and act as testbeds before a wider rollout of NQI.

The United Nations Industrial Development Organization (UNIDO) is the specialized agency of the United Nations that promotes industrial development for poverty reduction, inclusive globalization and environmental sustainability

The mandate of UNIDO is to promote and accelerate inclusive and sustainable industrial development (ISID) in developing countries and economies in transition. The UNIDO Regional office in Abuja works with the Governments of West African countries including Nigeria to promote ISID activities.



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