

A BILL

FOR

AN ACT TO ESTABLISH THE NATIONAL FARMERS' INPUTS AND CREDIT GUARANTEE SCHEME FOR THE PROVISION OF AGRICULTURAL INPUTS, CREDIT FACILITIES AND RISK MITIGATION TO SMALLHOLDER FARMERS IN NIGERIA; AND FOR RELATED MATTERS

Sponsored by Hon. Jafaru Gambo Leko

Co-Sponsors:

Hon. Amobi Ogah Hon. Jeremiah Umaru

Hon. Kabiru Yusuf Alhaji Hon. Ghali Tijjani,

[] Commencement

ENACTED by the National Assembly of the Federal Republic of Nigeria-

PART I - ESTABLISHMENT AND OBJECTIVES OF THE SCHEME

1 1.-(1) There is established a Scheme to be known as the National Establishment
2 Farmers' Inputs and Credit Guarantee Scheme. of the Scheme

3 (2) The Scheme shall be domiciled in the Federal Ministry of
4 Agriculture and Food Security.

5 (3) The Scheme shall be implemented in collaboration with State
6 Ministries of Agriculture, financial institutions, insurance providers, and
7 farmers' cooperatives.

8 2. The objectives of the Scheme are to: Objectives of
9 (a) Provide subsidised agricultural inputs to smallholder farmers; the Scheme

10 (b) Facilitate access to affordable credit at single-digit interest
11 rates;

12 (c) Promote the use of climate-smart and resilient agricultural
13 technologies;

14 (d) Ensure inclusive support for youth, women, and farmers in
15 underserved and vulnerable communities;

	1	(e) Enhance food security and support rural economic development.
	2	PART II - ADMINISTRATION OF THE SCHEME
Establishment of the Governing Council	3	3. There is established a Governing Council which shall be the
	4	principal authority responsible for policy formulation, coordination, and
	5	oversight of the Scheme.
Composition of the Council	6	4. The Council shall consist of:
	7	(a) The Minister of Agriculture and Food Security, who shall serve as
	8	Chairman;
	9	(b) The Governor of the Central Bank of Nigeria or a representative
	10	not below the rank of Director;
	11	(c) The Managing Director of the Bank of Agriculture;
	12	(d) One representative each from:
	13	(i) Nigeria Agricultural Insurance Corporation;
	14	(ii) All Farmers Association of Nigeria;
	15	(iii) National Agricultural Extension and Research Liaison Services;
	16	(e) The Director of the Scheme, who shall serve as Secretary to the
	17	Council.
Functions of the Council	18	5. The Council shall:
	19	(a) Develop and approve guidelines for the implementation of the
	20	Scheme;
	21	(b) Oversee disbursement mechanisms and performance evaluation;
	22	(c) Designate Priority Areas annually and review such designations
	23	based on national needs;
	24	(d) Promote transparency, accountability, and inclusion in the
	25	Scheme's operations.
Establishment of State Implementation Committees	26	6. -(1) There shall be a State Implementation Committee in each State
	27	of the Federation.
	28	(2) Each Committee shall comprise:
	29	(a) The State Commissioner for Agriculture as Chairperson;
	30	(b) One representative from each Senatorial District in the State;

- 1 (c) Two representatives of recognised farmers' cooperatives;
- 2 (d) One representative of traditional institutions or community
- 3 leaders.
- 4 **7.** The State Committees shall: Functions of State
Implementation
Committees
- 5 (a) Identify eligible smallholder farmers and register them;
- 6 (b) Facilitate the distribution of inputs and access to credit;
- 7 (c) Provide extension support and technical assistance to
- 8 beneficiaries;
- 9 (d) Submit quarterly implementation and impact reports to the
- 10 Council.
- 11 **PART III - OPERATIONS OF THE SCHEME**
- 12 **8.** To qualify as a beneficiary under the Scheme, an applicant must: Eligibility
Criteria
- 13 (a) Be a citizen of the Federal Republic of Nigeria;
- 14 (b) Cultivate not more than five hectares of agricultural land;
- 15 (c) Be a member of a registered cooperative society or recognised
- 16 farmers' group.
- 17 **9.** The Scheme shall provide: Types of Support
- 18 (a) Subsidised agricultural inputs at not less than 40% discount
- 19 nationwide and up to 60% discount in designated Priority Areas;
- 20 (b) Access to credit facilities with interest rates not exceeding five
- 21 percent (5%) per annum in Priority Areas and seven percent (7%) elsewhere;
- 22 (c) Insurance protection through accredited providers against
- 23 weather-related and other agricultural risks;
- 24 (d) Access to capacity-building programmes and extension
- 25 services.
- 26 **10.-(1)** The Council shall annually designate areas across all Designation of
Priority Areas
- 27 geopolitical zones of Nigeria as Priority Areas based on:
- 28 (a) Agricultural production potential;
- 29 (b) Presence of vulnerable farming communities;
- 30 (c) Security, climate, or disaster risk factors;

	1	(d) Urgency of intervention as determined by national food security
	2	needs.
	3	(2) The First Schedule to this Bill shall provide a general framework
	4	for designating such areas without specific geographical references.
	5	PART IV - FINANCIAL PROVISIONS
Funds of the Scheme	6	11. The Scheme shall be financed through:
	7	(a) Annual appropriations by the National Assembly;
	8	(b) Grants and donations from multilateral agencies, donor partners,
	9	and private sector stakeholders;
	10	(c) A levy of one percent (1%) on imported fertilisers and agricultural
	11	inputs;
	12	(d) Other sources as may be approved by the Federal Executive
	13	Council.
Management of Funds	14	12. -(1) All funds under the Scheme shall be managed by appointed
	15	Fund Managers in line with public procurement and financial regulations.
	16	(2) Disbursements shall be made directly to beneficiaries' verified
	17	accounts or through cooperative platforms.
Accounts and Audit	18	13. -(1) The Scheme shall maintain accurate and comprehensive
	19	financial records in accordance with the Fiscal Responsibility Act.
	20	(2) The Auditor-General for the Federation shall audit the accounts
	21	annually and submit the audit report to the National Assembly.
	22	PART V - MISCELLANEOUS
Annual Report	23	14. -(1) The Minister shall, not later than three (3) months after the end
	24	of each financial year, submit a report to the National Assembly.
	25	(2) The report shall contain:
	26	(a) The number of beneficiaries disaggregated by State;
	27	(b) Total funds allocated, disbursed, and utilised;
	28	(c) Outcomes, challenges, and recommendations.
Regulations	29	15. The Minister may, subject to the approval of the National
	30	Assembly, make regulations for the effective implementation of this Bill.

1	16. -(1) The Farmers' Support Act, 2007 is hereby repealed.	Repeal and Savings
2	(2) All actions lawfully taken under the repealed Act shall remain	
3	valid and be deemed to have been taken under this Bill.	
4	17. In this Bill, unless the context otherwise requires:	Interpretation
5	"Council" means the Governing Council established under section 6;	
6	"Minister" means the Minister responsible for Agriculture;	
7	"Scheme" means the National Farmers' Inputs and Credit Guarantee	
8	Scheme established under section 4;	
9	"Smallholder farmer" means a farmer cultivating not more than five	
10	hectares of land;	
11	"Priority Area" means any area designated under this Act where agricultural	
12	production is to be scaled due to strategic importance or vulnerability.	
13	18. This Bill may be cited as the National Farmers' Inputs and	Citation
14	Credit Guarantee Scheme (Establishment) Bill, 2025.	

1 SCHEDULES

2 FIRST SCHEDULE

3 *Initial Priority Areas*

4 For the purposes of section 13, Priority Areas shall be designated annually by
5 the Council and may include, but are not limited to:

6 (a) Communities with significant smallholder farmer populations;

7 (b) Areas with high agricultural potential or food insecurity;

8 (c) Climate-vulnerable zones;

9 (d) Conflict-affected or post-conflict farming regions.

10 SECOND SCHEDULE

11 *Offences and Penalties*

12 1. Diversion of subsidised inputs - Five (5) years imprisonment or fine
13 of ₦2,000,000 or both.

14 2. Fraudulent applications or documentation - Three (3) years
15 imprisonment or fine of ₦1,000,000 or both.

16 3. Willful damage to Scheme property - Full restitution and one (1)
17 year imprisonment.

EXPLANATORY MEMORANDUM

This Bill seeks to establish a national framework for the provision of subsidised agricultural inputs, affordable credit, and insurance coverage to smallholder farmers in Nigeria. It aims to enhance food production, empower rural farmers, and promote inclusive agricultural growth across all geopolitical zones, with special emphasis on youth, women, and vulnerable communities.