

# The role of African Governments in Supporting African Food Exports

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# Overview

## Why AACE Foods?

AACE Foods was created propelled by passion and a sense of urgency rooted in three facts:

- Over 90% of the processed food that is consumed in Nigeria is imported, even though 60% of the population is engaged in agriculture. Not unconnected, over 55% of household income is spent on food.
- 20-50% of grains, herbs, fruits, and vegetables are wasted due to poor post harvest practices, lack of appropriate packaging and storage facilities, inadequate distribution mechanisms and limited local processing.
- 37% of Nigerian children under 5 years old are classified as stunted, according to the 2018 Demographic and Health Survey.

## Mission, Vision, and Values

- **Our Mission:** To provide nutritious and tasty food products made from the best of West Africa's fruits, herbs, cereals and vegetables.
- **Our Vision:** To be the preferred provider of food in West Africa, thereby contributing significantly to the improved nutritional status of our people, and better the livelihoods of our farmers.
- **Our Values:** Proudly West African, Quality Products, Cost & Time Efficiency, Continuous Improvement and Accountability.
- AACE Foods **impact strategy** has four pillars: A commitment to:
  - Improving the livelihoods of smallholder farmers
  - Improving the nutritional status of West Africans
  - Promoting agribusiness education in Nigerian schools
  - Investing in a world-class, diverse and ethical team



# History

- AACE Foods was founded in 2009. Pilot production commenced in 2010, and commercial production from a 5,200m<sup>2</sup> facility in 2012.
- AACE Foods is focused on providing nutritious and tasty food made from the best produce of West African farmers.
- Established partnerships with 13 farmer clusters, comprising over 10,000 farmers in 7 states across Nigeria.
- Products include a range of spices, seasonings, processed flours, and nutritious complementary food products.
- Products are sold as:
  - Bulk ingredients to FMCG, quick-serve restaurants, food processing companies, and instant noodle companies for use in their own products;
  - Retail products under AACE Foods brand in over 170 supermarkets in 14 states across Nigeria; and
  - Exported as bulk ingredients or unprocessed commodities to customers in Europe and in Africa.



# Export Experience

- We started export in 2015 exporting dry split ginger, bird-eye Chili and Turmeric to Europe, North America and South Africa
- We have had our share of container rejections due to quality issues and container returns due to customer change of terms
- There is also the local commodity price volatility that changes profitability stand between getting purchase order and servicing the order.
- Other challenges include port delays, slow documentation process, understanding destination quality standards, export market development, payment terms and exporter protection and use of export proceeds.
- Despite all of these challenges, Our export business grew by over a 100% yearly since 2015.
- We have drawn guidance and support from other food companies in the export trade
- We have also been careful with growth keeping it organic and filling knowledge gaps as we grow.



# Government Supports for Food Export

Below are some of the roles African governments can play in supporting food export:

- Improving small holder farmers productivity through input system
- Strengthening exporters technical expertise on understanding of export markets.
- Access to finance through sustainable trade finance
- Introduce policies that encourage export trades and also provide a stable policy environment.
- Appointing dedicated agri-food representatives to unlock key markets across the world. Embassies need to be a strong trade desk abroad.
- Improve infrastructures necessary for smooth container movements to port and ensure strong systems and structures that move out containers as at when due.



# Thank you!!!

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