



HANDBOOK OF FERTILIZER TO THE MINISTRY OF AGRICULTURE AND FOOD SECURITY

REMARKS BY:

MR. OLAYEMI CARDOSO, GOVERNOR, CENTRAL BANK OF NIGERIA

WEDNESDAY, 13TH MARCH 2024

Hon. Minister of Agriculture and Food Security,

Hon. Minister of Budget and National Planning

Hon. Minister of State, Agriculture and Food Security

Permanent Secretary,

Distinguished Colleagues,

Ladies and Gentlemen,

Good Morning,

1. It is with great honour and enthusiasm that I stand before you today to address a matter of paramount importance that not only aligns with the core objectives of the Central Bank of Nigeria and the Ministry of Agriculture and Food Security but also resonates deeply with the livelihoods of all Nigerians - the escalating cost of food.

2. As we are all well aware, Hon. Minister, the Central Bank of Nigeria significantly emphasizes maintaining price stability as one of its primary mandates. Food prices are a crucial component of inflation, especially considering that a substantial portion of household expenditure in Nigeria is allocated towards food and non-alcoholic beverages. This reinforces the critical need to address food inflation as a pivotal aspect of managing overall headline inflation rates. While the CBN has been implementing comprehensive measures to curb inflation, it is evident that in the short term, inflationary pressures may persist, predominantly driven by escalating food prices.
3. This is precisely why we convene today - to strengthen our collaboration with the Ministry of Agriculture to mitigate the surge in food prices. In alignment with our strategic shift towards focusing on our fundamental mandate, the CBN has veered away from direct quasi-fiscal interventions and transitioned towards leveraging conventional monetary policy tools for executing monetary policies effectively. In this light, we aim to extend our support and foster closer ties with Ministries, Departments, and Agencies (MDAs) with the mandate and expertise to undertake these critical initiatives. Consequently, we aim to enhance our partnership with the Ministry of Agriculture, bolstering your endeavours to enhance food productivity and security, ultimately curbing food inflation and fortifying our pursuit of price stability.
4. In pursuit of these shared goals, we are delighted to announce the allocation of 2.15 million bags of fertilizer, valued at over 100 billion naira, which we humbly hand over to the Ministry of Agriculture and Food Security. This contribution from the Central Bank aims to amplify food production capabilities and foster price stabilization within the agricultural sector.
5. My team and I reiterate our unwavering commitment to prioritizing price stability and instilling confidence in the Nigerian economy by upholding consumer price stability and ensuring a balanced foreign exchange market. Despite the prevailing challenges posed by inflation and currency depreciation, we remain resolute in our determination to surmount these obstacles. While transient inflationary pressures may persist, we

anticipate substantial alleviation by the third quarter of 2024, coupled with diminished exchange rate strains. Our resolve lies in implementing policies that cultivate a resilient macroeconomic environment and enhance the welfare of all Nigerians.

6. I extend my heartfelt gratitude for your collaboration, Honorable Minister. Together, we embark on a journey to fortify food security, foster economic stability, and uplift the prosperity of our nation.
7. Thank you.