ARRIVES

IS THE CASSAVA SECTOR FOR YOU?

Business and job opportunities in Nigeria

A project by

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RETURN

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ABOUT THE PAPER

This cassava sector profile has been developed within the framework of the ARRIVES project. It provides detailed insights to support members of vulnerable groups – including migrants, refugees, returnees, and internally displaced persons – who are interested in entering the Nigerian agriculture sector, and keeps other stakeholders informed.

The guide covers essential aspects of the broader industry, from market dynamics and emerging opportunities to key challenges and financial planning.

ABOUT ARRIVES

The Assisting the Reintegration of Returnees through Integrated Vocational and Entrepreneurship Support (ARRIVES) project supports the sustainable economic reintegration of voluntary returnees into the Nigerian economy. It focuses on Nigerians who have chosen to return from Germany, offering tailored support in skills development, employment, and entrepreneurship to enable a dignified return and build sustainable livelihoods.

ARRIVES provides holistic, individualized assistance throughout the reintegration journey – from the decision to return and the development of a business idea to establishing a business or working in Nigeria. Social Impact GmbH, the International Return and Reintegration Assistance, and the International Trade Centre (ITC) implement the project. This partnership ensures long-term, locally grounded support for returnees.

The project also publishes reports that examine opportunities, challenges, and support mechanisms across Nigeria's evolving economic sectors and entrepreneurship ecosystem. These evidence-based publications inform stakeholders.

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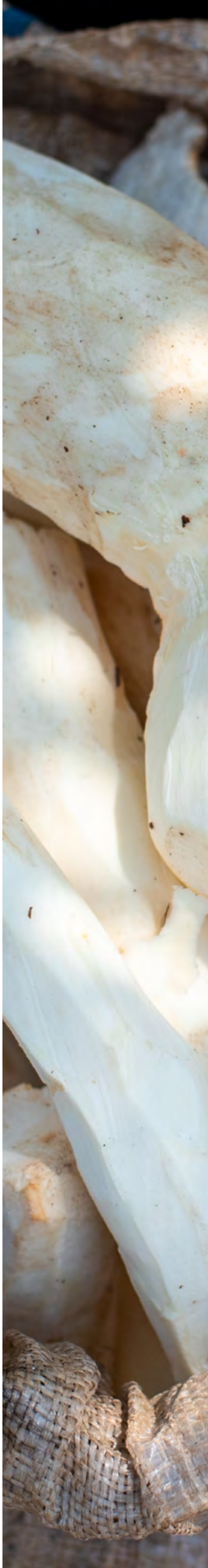

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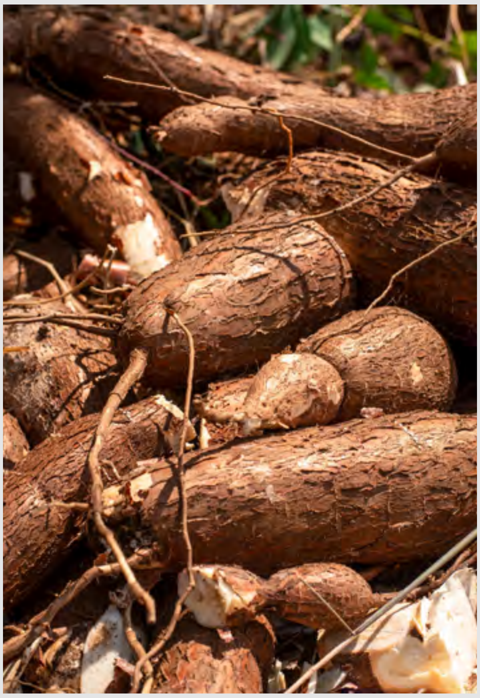
ACRONYMS

Unless otherwise specified, all references to dollars ($) are to United States dollars. As of 9 July 2026, 1,376 Nigerian naira = $1. Percentages may not add up to 100% due to rounding.

CAC	Corporate Affairs Commission
HQCF	High-quality cassava flour
ITC	International Trade Centre
NAFDAC	National Agency for Food and Drug Administration and Control
NCIA	Nigeria Cassava Investment Accelerator
SMEDAN	Small and Medium Enterprises Development Agency of Nigeria
SMEs	Small and medium-sized enterprises



Nigeria's cassava sector extends from smallholder farmers and local processors to large agribusinesses, serving domestic and international markets. As the world's largest producer of cassava, Nigeria offers an established ecosystem with growing markets for food and industrial products, as well as rising interest in agribusiness entrepreneurship.

INTRODUCTION

Nigeria's cassava sector extends from smallholder farmers and local processors to large agribusinesses, serving domestic and international markets. As the world's largest producer of cassava, Nigeria offers an established ecosystem with growing markets for food and industrial products, as well as rising interest in agribusiness entrepreneurship. The sector's diverse opportunities, combined with rising demand for cassava-based products both locally and globally, makes it an attractive area for agri-business entrepreneurs and returnees looking to start or expand a business.

This profile offers detailed insights to guide members of vulnerable groups who are interested in entering the cassava industry. As refugees, migrants, returnees, and internally displaced persons often face significant barriers to starting a business – including financial, networking, and social hurdles – this profile addresses key elements of the sector relevant to the target group. From market dynamics and new opportunities to key challenges and financial planning, the report provides a realistic, practical understanding of the industry to enable informed decision-making.

1. **Is this sector realistic for me?** The first section is a summary that offers an overview of the sector, market trends, business opportunities, skill and capital requirements, and the key challenges involved. This chapter offers concise insights to anyone thinking about entering the industry.
2. **Operational reality:** This section examines the most important subsectors and business models in greater depth, outlining accessible entry opportunities along with their benefits and potential drawbacks. It also highlights key stakeholders and the regulatory environment, the main business risks, and available training programmes.
3. **Grounded economics:** This chapter provides a practical summary of the capital requirements for starting a business in the cassava sector, including pricing structures, profit margins, and financial sustainability. It also explores financing options to help new entrants make informed investment decisions.
4. **Common mistakes and success factors:** This chapter highlights recurring pitfalls as well as best practices that offer opportunities for growth and sustainability.
5. **Self-assessment test:** This final section offers the opportunity to take a self-assessment test. By answering a few questions about the realities of working in the cassava sector, it may be easier to gauge whether one is ready to start a business in this industry.

This profile is based on primary and secondary research, including interviews with stakeholders in the cassava sector. The methodology combines expertise of the Nigerian agriculture industry, provided by a local expert, with content analysis of reports and articles, and relevant policies to provide a comprehensive understanding that combines empirical data with industry insights.

CHAPTER 1

Is this sector realistic for me?

This chapter provides a realistic introduction to the Nigerian cassava sector and helps readers determine whether cassava-related businesses are suitable for their skill level, financial capacity, location, and long-term expectations. This chapter aims to provide balanced and practical insights into both the opportunities and challenges in the sector.

Overview: Key market segments, markets trends, and growth drivers

Cassava is one of Africa's most resilient and economically important crops, offering strong potential for smallholder farmers, agripreneurs, and investors. Its hardiness and wide range of uses, along with expanding domestic and global demand, make it a strategic driver of inclusive economic growth.

Nigeria is the world's biggest producer of cassava, with annual output exceeding 60 million metric tons and cultivation across most states of the federation (Nigeria Cassava Investment Accelerator [NCIA], 2025). The crop remains central to rural livelihoods, urban food systems, food security, and agro-industrial development (Shittu et al., 2016).

Despite this production scale, a larger percentage of Nigeria's cassava output is still consumed locally and processed through informal or semi-formal systems. While the sector is mostly divided into food consumption markets and industrial processing markets, both still present major opportunities for value addition, commercialization, and inclusive economic growth (Philips et al., 2004).

First, cassava products such as garri (cassava granules), fufu, tapioca, and cassava snacks still dominate the food consumption markets (Philips et al. 2004). Garri is the most widely consumed cassava product nationwide because of its affordability, long shelf life, and convenience. Urbanization and population growth continue to increase demand for packaged and hygienically processed cassava products.

Industrial markets for cassava, on the other hand, are also expanding, particularly in high-quality cassava flour (HQCF), starch production (for industrial and pharmaceutical uses) (Shittu et al., 2016), ethanol, livestock feed, adhesives, and sweeteners (Anyanwu et al., 2015; NCIA, 2026a and 2026b). Government efforts to reduce dependence on imported raw materials and by-products have contributed to increased interest in industrial use of cassava (Dada et al., 2013).

Nigeria's cassava sector operates in a business environment shaped by strong local market demand, as cassava products are a staple food in both rural and urban markets and are consumed daily across the country.

Key growth drivers in the sector include:

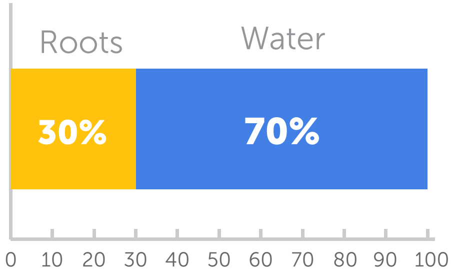
- Nigeria's growing population
- Increasing urban demand for processed (packaged) foods
- Rising industrial demand for cassava derivatives
- Government interest in import substitution
- Expansion of agroprocessing activities
- Growing awareness of cassava as a quality industrial raw material

Business environment

This dynamic and agriculturally significant sector offers opportunities in various subsectors, including cultivation, harvesting, food processing, and animal feed, as well as retail and logistics. The typical value chain in the cassava sector comprises:

1. Cassava plant cultivation, harvest, and aggregation
2. Primary processing
3. Industrial processing
4. Logistics and distribution
5. Wholesale, marketing, and retail
6. Cassava support services

The Nigerian cassava sector is slowly transitioning from traditional subsistence farming to a more commercial and industrialized value chain. Although the country is the world's top cassava producer, average yields remain low at around 16–20 tonnes per hectare (Shittu et al., 2016). Consequently, despite these high production volumes, the potential for industrial processing has not yet been fully realized. This highlights the need for a rethink regarding the cultivation, supply, and integration of cassava into value chains.



A major challenge here is the high perishability of fresh **cassava roots**, which are bulky and contain around **70% water**, causing them to spoil within **48–72 hours** of harvest (Philips et al., 2004).

This means that geographical proximity between farms and processing facilities is essential, while the development of innovative storage solutions remains a key priority.

Furthermore, competition remains high in some segments, particularly traditional garri processing and retail trading. New entrants, therefore, need to identify underserved markets, quality gaps, or niche opportunities rather than relying solely on traditional business approaches.

At the same time, much of the sector still operates through informal market systems, where transactions are relationship-based and heavily reliant on trust, local networks, and cash transactions.

Low-entry options

The cassava value chain offers many accessible entry points and opportunities for people to participate, requiring minimal experience and very little capital. These businesses are often run from home, which helps keep costs low.

Cassava peeling service

This is a simple business where individuals or small groups are paid to peel cassava for farmers and processors. This service requires little capital and is common in communities with significant cassava-processing activities where labour-saving services are in demand.

Cassava flour production

Cassava is processed into dried flour (elubo), which is used in traditional dishes and as an ingredient in various food products. The business model is suitable for small-scale operations serving both local consumers and food processors.

Cassava snack production

This business involves producing value-added snacks such as cassava chin chin, cassava crackers, cassava chips, puff-puff, and other baked or fried snacks, using cassava flour as a key ingredient.

The business can start on a small scale from a home kitchen or small production facility and gradually expand through distribution to supermarkets, schools, offices, and convenience stores.

Packaging and branding

Cassava products such as garri, fufu flour, or tapioca are purchased in bulk and repackaged into smaller, branded consumer-friendly packages. This activity adds value through improved packaging, branding, and direct sales to consumers, supermarkets, and retail outlets.

Cassava-based animal feed production

Cassava peels and other cassava by-products are converted into feed for poultry, fish, and livestock. This business provides a practical way to transform processing waste into a valuable product while benefiting from the growing demand for affordable animal feed.

Regional differences

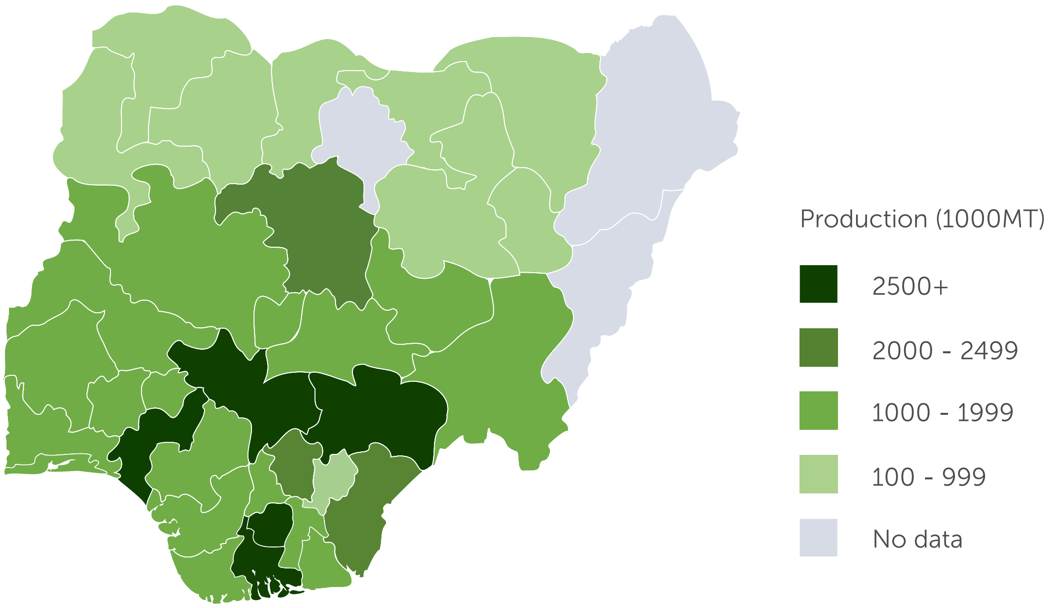
Opportunities in Nigeria's cassava sector vary widely across regions due to differences in production levels, infrastructure, industrial activity, market access, consumer demand, and security conditions. These regional variations influence which types of cassava businesses are more viable, the level of competition, and the operational costs businesses face. The following table provides an overview of business opportunities in the cassava sector by region in Nigeria.

Table 1: Key characteristics, opportunities, and conditions in the cassava sector by region

Region	Key characteristics	Major opportunities	Business conditions
South-West (Ogun, Oyo, Ondo, Ekiti)	One of the most commercially developed cassava-processing zones in Nigeria, with a strong industrial presence and processing clusters.	HQCF, industrial starch, ethanol supply, garri processing, aggregation, packaging, logistics.	Better access to industrial buyers and processing facilities. Competition is strong due to the market's maturity. Transportation infrastructure is better than in many other regions, although operational and labour costs are higher in urban-industrial areas.
South-East (Anambra, Abia, Imo, Enugu, Ebonyi)	Active market trading networks support strong consumer demand for garri and cassava retail products.	Garri processing, retail distribution, packaging, branded cassava products, food supply chains.	Robust trading activity and extensive retail networks support the daily movement of cassava products. Market competition is strong, especially in open-market retail. Transportation costs may rise due to congestion and fragmented supply chains.
North-Central (Benue, Kogi, Nasarawa, Kwara)	Major cassava cultivation zone with large farmland availability and expanding commercial farming activities.	Cassava cultivation, aggregation, livestock feed, out-grower schemes, supply to processors.	Lower land costs and high production volumes create solid opportunities for farming and aggregation businesses. However, transportation distances to industrial processors and urban markets may boost logistics costs. Some areas also face periodic security concerns affecting farm operations and transportation.
South-South (Delta, Edo, Rivers, Akwa Ibom, Cross River)	Strong local cassava consumption and community-based processing activities.	Small-scale processing, garri production, tapioca, local retail, mobile peeling/washing services.	Community-level processing dominates much of the value chain. Infrastructure limitations and transportation challenges affect scalability. Riverine communities may face additional logistical challenges and higher transportation costs.
North-West and North-East	Cassava activity is present, but at a lower intensity compared to southern regions.	Emerging cultivation and localized processing opportunities.	Security conditions in parts of these regions can affect farming, transportation, and market access. Lower industrial demand and weaker processing ecosystems limit large-scale opportunities compared to southern Nigeria.

Source: ITC.

Figure 1: Cassava production (in tonnes) by state



Source: Sahel Capital, 2021.

Relevant skills and background

Many cassava-related businesses require no advanced formal education. However, entrepreneurs need practical knowledge, technical discipline, consistent work habits, and basic business management skills to succeed in the cassava value chain.

Vulnerable populations and new entrants into the sector often have limited technical or formal business backgrounds. Participating in training programmes, cooperative business models, mentoring schemes, and practical training courses is strongly recommended to facilitate entry into the sector, reduce operational risks, and improve long-term economic sustainability in the cassava sector (Philips et al., 2004).

Relevant skills can be grouped into three main categories: technical skills, business skills, and soft skills.

Technical skills include:

- Peeling, washing, grating, frying, and drying cassava
- Machine operation and maintenance
- Food hygiene and quality control
- Packaging and product handling

Technical skills underpin efficient processing and support the production of high-quality cassava products. Skilled workers can operate and maintain machinery effectively, which improves productivity, reduces downtime, and extends the lifespan of the equipment. Expertise in food hygiene and quality control ensures that products consistently meet market standards, reinforcing consumer trust.

Knowledge of proper packaging and preservation techniques also improves product presentation, preservation, and overall marketability, contributing to greater competitiveness and profitability along the cassava value chain.

Business skills include:

- Recordkeeping and bookkeeping
- Pricing and inventory management
- Customer relations and negotiation
- Basic market analysis

Effective bookkeeping and accounting provide the foundation for robust financial management, support clear monitoring of profitability, and enable informed decision-making. Knowledge of pricing and inventory management helps entrepreneurs control costs, maintain optimal stock levels, and increase profit-ability. Strong customer relationships and negotiation skills foster long-term business partnerships and improve market access.

Furthermore, a basic understanding of market analysis makes it possible to identify demand trends, understand customer preferences, and spot emerging business opportunities. This helps firms remain competitive and respond quickly to market needs.

Soft skills include:

- Reliability and discipline
- Patience and consistence
- Communication and relationship management

Soft skills are crucial in the cassava sector, as they support effective business operations and long-term success. Reliability and discipline promote consistency in production and service delivery, help build trust among customers, suppliers, and business partners, and simultaneously boost operational efficiency.

Patience and perseverance are equally important, as they enable entrepreneurs and employees to tackle challenges, adapt to changing market conditions, and sustain growth in the long term. Effective communication and relationship management skills facilitate collaboration with other stakeholders, foster productive partnerships, and improve coordination along the entire cassava value chain.

Capital requirements and expectations

Capital requirements in Nigeria's cassava sector vary considerably depending on the type of business, operational scale, level of mechanization, and target market. While some firms can be started with modest investments, others require substantial infrastructure, technical systems, and industrial equipment.

- Low-capital pathways typically involve lower equipment requirements, reduced operational complexity, and faster cash flow cycles. These enterprises often rely heavily on relationship-building, transportation coordination, and market access.

  » **Start-up capital requirements for low-entry opportunities range from ₦20,000 –₦1,000,000**

- Medium-capital set-ups enable entry into more structured processing activities with higher production capacity and value-addition potential. These ventures usually require greater operational coordination and efficient quality management systems, but they offer better opportunities for business expansion and long-term profitability when managed properly.

- **Start-up capital requirements for medium-level opportunities range from ₦800,000 – ₦4 million**

- Aspirational pathways involve larger infrastructure investments, professional staffing, and greater operational complexity. If implemented well, they offer great potential for job creation, export opportunities, and large-scale industrial development.

- **Start-up capital requirements for aspirational opportunities often start just below ₦100 million**

Capital is required across all start-up categories for processing equipment, transportation, rent, raw material procurement, packaging materials, labour, generator or energy support systems, and working capital for daily operations. Hidden costs such as machine maintenance, fuel price increases, transportation delays, and product spoilage can also affect profitability significantly.

Key challenges

Operating a cassava-related business in Nigeria involves substantial operational and financial risks. These challenges affect different actors in the value chain, ranging from input sellers to farmers, and processors, industrial manufacturers, and wholesalers and retailers of fresh cassava root.

Production-related challenges

Seasonal supply shortages and fluctuations in cassava availability often create instability in the supply chain, resulting in unreliable access to raw materials for processors and volatile market prices (NCIA, 2026). Furthermore, fluctuations in cassava quality – due to seasonal periods of low starch content – as well as post-harvest spoilage caused by delays in processing limit potential yields (Sahel Capital, 2021).

Many processing plants also face high production costs because they rely on manual labour for certain activities or use outdated equipment and/or inefficient processing methods such as traditional sun-drying techniques, which can reduce productivity and compromise product quality.

Infrastructure challenges

Unstable electricity supply is a major challenge in the cassava sector, especially for processors who depend on reliable power for efficient operations. Frequent power interruptions and inconsistent electricity availability can disrupt production processes, reduce productivity, and affect product quality (NCIA, 2025). As a result, many processors are forced to rely on generators and other energy sources to maintain operations, significantly increasing processing costs and reducing overall profitability.

Logistical challenges

Logistical challenges hamper the growth and profitability of businesses in the cassava sector. High fuel and transport costs make it expensive to move raw materials and finished products among farms, processing centres, and markets (Philips et al., 2004).

These challenges are exacerbated by the poor condition of rural roads, which makes transport difficult and unreliable, particularly during the rainy season, when the roads often become impassable. Farmers in more rural areas, mainly in the northern regions of Nigeria, bear the greatest costs. As a result, producers and processors may face delays, higher operating costs, and restricted market access.

Furthermore, inadequate storage systems contribute to post-harvest losses and limit stakeholders' ability to store cassava products effectively, which reduces product quality and limits opportunities to benefit from favourable market conditions (Sahel Capital, 2021).

Financial challenges

Inflation and rising fuel prices have driven up operating costs along the cassava value chain, increasing the costs of production, processing, and transport. At the same time, access to affordable finance remains limited, notably for small and medium-sized enterprises (SMEs).

High lending rates, often ranging from 12% to 30%, make it difficult for firms to raise the capital needed to expand and modernize (NCIA, 2025).

Cassava's long maturity period further constrains financing as it can delay revenue generation by up to a year and increase lenders' perceived risk. As a result, many financial institutions are reluctant to grant loans to cassava producers and processors. Smallholder farmers and SME processors are particularly affected, as they are often excluded from the formal credit market due to high interest rates, strict lending conditions, and a lack of acceptable collateral.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CHAPTER 2

Operational reality

This section focuses on the daily operations, highlighting day-to-day responsibilities and business realities. It outlines opportunities across the value chain and explains informal and formal market dynamics. It also presents the sectoral environment, including key stakeholders and relevant training programmes, whilst examining the regulatory framework.

Business and job opportunities

Nigeria's cassava value chain comprises numerous interconnected actors and activities that transform cassava roots into food products, industrial raw materials, and commercial goods. The sector can be divided into production, food processing, industrial processing, marketing, local as well as international distribution, and support services, with each value-chain segment offering its own opportunities for employment, entrepreneurship, and value creation (Sahel Capital, 2021; Philips et al., 2004).

Table 2: Core activities and market players across cassava segments

Value chain segment	Business activities	Typical market players
Production	Cassava cultivation, stem multiplication, commercial farming, contract farming, out-grower schemes	Processors, aggregators, traders, industrial buyers
Food processing	Peeling, garri production, fufu flour production, tapioca, cassava flour (elubo), cassava snacks, other packaged food products	Customers, food vendors, retailers, supermarkets
Industrial processing	Production of HQCF, industrial starch, pharmaceutical starch, ethanol, sweeteners, livestock feed, adhesives, textile inputs, paper inputs	Manufacturers, pharmaceutical companies, livestock producers, industrial processors
Marketing and distribution	Aggregation, wholesale trading, retailing, packaging, branded product distribution, transportation, export marketing	Farmers, processors, wholesalers, retailers, institutional buyers
Export promotion	Packaging, export branding and marketing, transportation, quality assurance, compliance services	International buyers, exporters, logistics companies
Support services	Transportation, packaging, warehousing, equipment fabrication, equipment maintenance, input supply, extension services	Farmers, processors, traders, industrial buyers

Source: ITC creation based on field survey.

Table 3: Job opportunities and estimated salaries in key cassava segments

Job role	Key responsibilities	Required skills	Estimated monthly salary
Machine operator (warehouse assistant)	Operate and monitor processing equipment such as graters, presses, dryers, and milling machines	Equipment operation, basic maintenance, troubleshooting, safety awareness	₦100,000 – ₦200,000
Marketing and sales officer	Promote cassava products, identify customers, manage sales, and build market relationships	Communication, customer relations, sales, negotiation, marketing	₦200,000 – ₦500,000
Driver / logistics assistant	Transport cassava roots, processed products, equipment, and supplies	Driving, route planning, vehicle maintenance, time management	₦100,000 – ₦250,000
Quality control officer	Inspect product quality, monitor hygiene standards, and ensure compliance with specifications	Quality assurance, food safety, recordkeeping	₦150,000 – ₦250,000
Equipment maintenance (mechanical and electrical engineer)	Service, repair, and maintain processing equipment	Mechanical and technical skills, troubleshooting	₦150,000 – ₦500,000
Production supervisor	Oversee processing activities, staff, production schedules, and product quality	Leadership, planning, quality control, operational management	₦200,000 – ₦350,000

Source: Field survey.

Partnerships and cooperative models

Partnerships with cooperatives, farmer groups, processors, and industrial buyers can greatly reduce start-up risks. Cooperative participation is recommended for vulnerable groups because it often provides access to markets, training, finance, and shared infrastructure that would otherwise be difficult to obtain.

One example is the IDH Block Farming Model, introduced in Nigeria in 2014, which organizes farmers into production clusters linked to commercial processors. Farmers gain access to improved planting materials, inputs, technical support, and guaranteed markets, while processors benefit from more reliable raw material supply (IDH, 2020).

Informal vs. formal market dynamics

The cassava sector operates through informal and formal market systems, and many businesses move between the two as they grow. Most successful cassava businesses begin in informal markets before gradually transitioning into formal supply chains as their capacity and customer base expand.

Informal segment

The informal market dominates most rural and traditional trading systems. Transactions are based on personal relationships, trust, cash payments, and verbal agreements. Entry barriers are low, making this the most accessible route for new entrepreneurs (Philips et al., 2004).

- **Advantages:** Easy and low-cost market entry; faster transactions and cash flow; strong community networks and customer relationships; flexible pricing and business arrangements.

- **Disadvantages:** Limited access to large buyers and institutional markets; susceptible to price volatility and market uncertainty; risk of payment disputes due to verbal agreements; limited opportunities for financing and expansion; inconsistent product quality and standards.

Formal segment

The formal market involves registered businesses, institutional buyers, supermarkets, exporters, and industrial processors. These markets offer larger purchase volumes, more predictable demand, and stronger growth opportunities. However, participation requires consistent quality, proper packaging, product traceability, and regulatory compliance (Sahel Capital, 2021; Philips et al., 2004).

- **Advantages:** Provides access to larger and more stable markets; better opportunities for long-term business growth; greater potential for supply contracts and recurring revenue; improved access to financing and investment opportunities; stronger quality standards and customer confidence.

- **Disadvantages:** Higher compliance and certification costs; stricter quality, packaging, and documentation requirements;

greater administrative and recordkeeping responsibilities; longer sales cycles and delayed payments in some cases; increased competition from established businesses.

Key business risks

Running a business in Nigeria comes with unavoidable risks and challenges. The cassava sector is highly fragmented, labour-intensive, and evolving. Key business risks that apply to the sector include:

- **Financial risk:** No/overly small cushion for fixed costs, such as rent and bulk buys, or emergencies
- **Operational risk:** No/limited back-up equipment, erratic power, unskilled helpers
- **Market risk:** No name recognition, limited marketing budget
- **Legal/regulatory risk:** Informal set-up, risk of being shut down or fined
- **Reputational risk:** High dependence on referrals and social proof

In addition, there are a number of specific risks that could affect the cassava value chain.

Table 4: Cassava-specific business risks

Risk category	Description	Potential impact
Climate and weather risks	Dependence on rainfall exposes production to droughts, floods, and irregular rainfall patterns.	Reduced yields, crop losses, lower income
Pest and disease outbreaks	Infestations and crop diseases can reduce productivity and quality.	Lower output and marketable volumes
Quality and food safety risks	Contamination from improper drying, storage, handling, or pesticide residues can lead to rejection by buyers.	Loss of market access and financial losses
Post-harvest losses	Inadequate storage, poor handling, and post-harvest delays can lower product quality.	Reduced saleable output and lower prices
Infrastructure constraints	Poor roads, storage facilities, and transport networks increase transaction costs.	Delays, higher operating costs, reduced competitiveness
Financing constraints	Limited access to affordable credit for farmers and small enterprises.	Restricted business expansion and investment

Source: ITC.

Sectoral environment

Key stakeholders

Stakeholders across the cassava value chain support the sector by providing research, technical assistance, financing, training, advocacy, and market linkages. Understanding the role of these organizations can help new entrants identify opportunities for skills development, business support, networking, and access to markets.

1. Major cassava-processing facilities

Several large facilities that process cassava into different products are spread across Nigeria. In Oyo State, **Psaltry International Company Limited, Niji Foods Nigeria Limited, Tosmat Foods & Agro-products Limited, and Eagle Flour Mills** are specialized in cassava processing (flour, starch, food products), processing technology development, agribusiness development, animal feed production, farmer training, and cassava-based product development.

Thai Farm International, Harvest Food and Agro-Processing Limited, and Greentech Industries are based in Ogun State and are active in large-scale starch production, processing HQCF, value-added cassava products, and glucose production.

In Ekiti State, **Agbeyewa Farms** is involved in the large-scale cultivation and processing of cassava as well as contract farming, and Promise Point manufactures starch.

Unicane Industries Limited and **Crest Agro Products Limited** (Kogi State) are specialized in ethanol production and industrial cassava use, and large-scale starch production, respectively. **Matna Foods Company Limited**, in Ondo State, produces cassava flour and processes food items.

Flour Mills of Nigeria Plc and Nigeria Starch Mills Limited are both based in Lagos State, where they coordinate HQCF initiatives and produce and process industrial starch.

2. Key providers of support services

Key service providers include equipment manufacturers such as **Niji Lukas Nigeria Limited**, which makes and maintains graters, dryers, presses, peeling machines, grinders, and other processing equipment, as well as agricultural input suppliers including **Notore Chemical Industries Plc and OCP Africa**, which offer fertilizers, agrochemicals, improved cassava stems, agricultural equipment, and inputs.

Falcon Pack Nigeria and Veritas Plastics and Packaging are established packaging suppliers that specialize in packaging materials, labelling, brand presentation, and product display solutions.

Various institutions offer financial and business support services; these will be covered in detail in the next chapter.

3. Research institutes

The [International Institute of Tropical Agriculture] is one of the leading agricultural research organizations supporting cassava development in Nigeria and across Africa. It develops improved cassava varieties, promotes better agronomic practices, introduces processing technologies, and offers training programmes designed to improve productivity and value addition.

The National Root Crops Research Institute specializes in research on root and tuber crops, including cassava. The institute develops improved planting materials, supports disease management efforts, and disseminates technologies that enhance production and processing efficiency.

The **Federal Institute of Industrial Research Oshodi** is a government research institution focused on industrial research, technology development, and commercialization. Along the cassava value chain, the institute develops and promotes processing technologies for value-added products such as cassava flour, starch, ethanol, and snacks. It also offers technical training, technology transfer services, business incubation support, and capacity-building programmes for entrepreneurs, processors, and small-scale agri-businesses seeking to improve productivity and product quality.

4. State support organizations and agencies

The Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) supports entrepreneurs and small businesses through business development services, entrepreneurship training, advisory support, and capacity-building programmes. Cassava processors and agribusiness entrepreneurs may benefit from SMEDAN's enterprise development initiatives.

State-level **agricultural development programmes** provide extension services, farmer training, and technical support. Through field demonstrations and advisory services, these programmes help farmers adopt improved production techniques and technologies.

5. Major cassava cooperatives, associations, and producer groups

The All Farmers Association of Nigeria is as an umbrella body that represents farmers across multiple agricultural commodities. It facilitates networking, policy engagement, and access to government and development programmes that may benefit cassava producers.

The National Association of Small Scale Industrialists supports small-scale manufacturers and processors by advocating for better business conditions, facilitating access to training opportunities, and promoting enterprise development. Cassava processors and other value-added businesses can benefit from the association's support services and industry networks.

The Cassava Growers Association of Nigeria represents cassava producers and promotes the interests of farmers through advocacy, information sharing, and market engagement. The association also supports members with industry updates and opportunities for collaboration.

The **Psaltry Out-Grower Farmer Groups and Agbeyewa Out-Grower Network** provide inputs, offer technical assistance and guaranteed market access, and link farmers to commercial production systems and processing markets.

Training programmes and initiatives

Technical and vocational education training opportunities in agricultural production, food processing, equipment operation, entrepreneurship, and business management are available through institutions including:

- The Federal Colleges of Agriculture
- The Federal Colleges of Land Resources Technology
- The Agricultural and Rural Management Training Institute
- Industrial Training Fund centres
- National Directorate of Employment vocational centres
- Polytechnics and technical colleges, and other accredited vocational enterprise institutions

Power dynamics

Understanding power dynamics in the cassava sector is critical because relations can influence market access and profitability as strongly as production capacity.

- **Farmers** control raw material supply but often have little bargaining power due to fragmented production, limited market information, and the need to sell perishable cassava quickly after harvest.
- **Aggregators and traders** exercise considerable influence because they connect farmers to processors and buyers, coordinate transportation, provide market information, and often influence farmgate prices through their control of supply channels.
- **Processors** influence demand and quality standards by setting the requirements for fresh cassava and processed products. Large industrial processors and manufacturers typically have greater bargaining power because of their purchasing volumes and ability to choose among multiple suppliers.
- **Industrial buyers and major retailers** often have the strongest market position due to their purchasing power, quality requirements, and access to alternative suppliers. Smaller processors and suppliers may need to meet strict standards to access these markets.

- **Community leaders and traditional institutions** may influence land access, labour availability, dispute resolution, and local acceptance of business activities.
- **Access to information** also affects power along the value chain. Participants who understand market prices, buyer requirements, and supply conditions can often negotiate more favourable terms than those with limited access to information (Philips et al., 2004; Sahel Capital, 2021).

Regulatory requirements

Regulatory requirements for cassava businesses vary by product type, target market, and scale of operation.

Small-scale firms selling directly to local markets often operate with limited regulatory oversight. In contrast, businesses supplying supermarkets, institutional buyers, food manufacturers, industrial users, or export markets must meet more formal requirements for registration, quality assurance, packaging, and certification. As firms grow, compliance becomes increasingly important for market access, customer trust, and long-term sustainability.

Several government agencies and organizations are active in the cassava sector:

- The Corporate Affairs Commission (CAC) is responsible for the registration, regulation, and management of companies.
- The National Agency for Food and Drug Administration and Control (NAFDAC) monitors compliance with food safety regulations and quality assurance requirements for foodstuffs marketed in Nigeria. For businesses that package processed cassava products, NAFDAC sets out regulations governing packaging and product labelling.
- The Standards Organisation of Nigeria oversees compliance with Nigerian Industrial Standards, covering food processing, packaging, labelling, and product conformity.
- The Nigerian Export Promotion Council regulates cassava (product) exports and provides access to international trade opportunities.
- State and local government authorities are responsible for local business regulation, including operational permits and environmental approvals.

Depending on the business area, different guidelines and regulations must therefore be complied with.

Table 5: Regulatory requirements by business type

Type of business	Typical regulatory requirements
Small-scale local garri, fufu, and cassava traders	Basic local permits and market regulations
Registered cassava processing businesses	CAC registration, tax registration, basic food safety practices
Packaged food producers	CAC registration, NAFDAC product registration, labelling compliance
Industrial processors (HQCF, starch, ethanol)	CAC registration, Standards Organisation of Nigeria compliance, environmental approvals, NAFDAC requirements where applicable
Export-oriented businesses	CAC registration, Nigerian Export Promotion Council registration, export documentation, quality certification, and destination-country requirements

Source: ITC

CHAPTER 3

Grounded economics

This chapter serves as a practical financial survival guide for newcomers to the cassava value chain. It explains the real economics behind four cassava-related enterprises with low entry barriers, highlighting start-up requirements, operating costs, revenue potential, and the financial realities these businesses face.

The figures presented are illustrative estimates drawn from a field study and do not reflect the full economic conditions of cassava-related firms. Actual numbers vary across Nigeria due to differences in production levels, market demand, infrastructure, transport costs, labour availability, security conditions, and local business practices.

Prospective entrepreneurs should conduct local market analyses before making investment decisions and adapt their business plans to their specific business environment. The data presented here are derived from cassava producers, processors, and owners of cassava-related businesses in south-western Nigeria.

Cassava peeling services

Table 6: Start-up costs for a business offering cassava-peeling services

Expense category	Item description	Quantity	Unit	Unit price (₦)	Total cost (₦)
Equipment	Peeling knives	8	Pieces	500	4,000
	Plastic bowls and buckets	10	Pieces	1,000	10,000
	Basins and baskets	5	Pieces	2,000	10,000
	Wheelbarrow (used or rented)	1	Unit	15,000	15,000
	Protective gloves and aprons	5	Sets	1,000	5,000
Miscellaneous	Contingency expenses	-	-	-	5,000
Total start-up cost					**49,000**

Source: Field study

Table 7: Labour requirements for a business in cassava-peeling services

Labour	Cost per day (₦)
3 peelers (₦3,500 each)	10,500
Transport and refreshments	1,500
Total daily labour cost	**12,000**

Note: Working as a cassava peeler requires little or no experience. Competition in some villages can be so intense that a peeler may earn only ₦1,500 – simply because another worker is willing to accept an even lower amount in a crowded labour market. Peeling is usually paid by the bowl or basin, so earnings increase with the number of basins filled. Many large processing plants still prefer manual peeling, as automated methods can leave patches of peel on the tuber and reduce overall quality consistency.

Source: Field study.

Table 8: Revenue model for a business in cassava-peeling services

Volume peeled	Service charge (₦)
1 tonne of cassava	22,000
2 tonnes of cassava	44,000
3 tonnes of cassava	66,000

Note: Production assumption: Two tonnes daily, leading to a daily revenue of ₦44,000.

Source: Field study.

Table 9: Profit estimate for a business in cassava-peeling services

Item	Amount (₦)
Revenue	44,000
Labour	12,000
Miscellaneous	5,000
Net daily profit	**27,000**

Note: The net daily profit reflects the potential earnings a business owner can make when providing peeling services to larger processors.

Source: Field study.

Table 10: Monthly projection for a business in cassava-peeling services

Category	Item description	Quantity	Unit	Unit price (₦)	Amount (₦)
Revenue	Cassava peeling services	25	Days	44,000	1,100,000
Operating costs	Labour, transportation, maintenance and miscellaneous expenses	-	-	-	(425,000)
Estimated monthly net profit		-	-	-	**675,000**

Note: This projection is based on 25 working days a month.

Source: Field study.

Seasonality: Demand is typically higher during peak harvesting and processing periods, when large volumes of cassava are handled. Activity often declines during periods of reduced harvesting, especially in the wet season, which leads to fewer working days and greater transportation challenges for labourers.

Financial reality check: The projected income assumes consistent daily contracts throughout the month. In practice, earnings fluctuate with seasonality, reduced processing activities caused by machine breakdowns or maintenance, labour availability, and transportation challenges. Building relationships with multiple processors helps maintain a steady workflow.

Recommended entry pathway: Direct entry or participation through labour groups and local processing cooperatives.

Packaging, branding, and retailing of cassava products

Table 11: Start-up costs for a business in packaging, branding, and retailing

Expense category	Item description	Total cost (₦)
Inventory	Initial stock (garri, flour, fufu, tapioca)	350,000
Packaging	Packaging materials (bags, pouches, labels)	80,000
Branding	Logo design and branding	20,000
Regulatory	Registration and permits	30,000
Distribution	Transportation and distribution	40,000
Working capital	Reserve fund	30,000
Total start-up cost		**550,000**

Source: Field study.

Table 12: Equipment requirements for a business in packaging, branding, and retailing

Equipment	Cost (₦)
Heat sealing machine	30,000
Digital weighing scale	20,000
Measuring containers	7,000
Storage shelves	30,000
Tables and packaging materials	30,000
Total equipment cost	**117,000**

Source: Field study.

Table 13: Labour requirements for a business in packaging, branding, and retailing

Labour category	Monthly cost (₦)
Packaging assistant	40,000
Sales/delivery support	30,000
Total labour cost	**70,000**

Source: Field study.

Table 14: Operating costs per production cycle for a business in packaging, branding, and retailing

Expense category	Item description	Amount (₦)
Inventory cost	Bulk garri purchase	380,000
Packaging cost	Packaging materials and labels	20,000
Distribution cost	Transport and handling	20,000
Total operating cost		**420,000**

Source: Field study.

Table 15: Monthly profit projection for a business in packaging, branding, and retailing

Category	Item description	Quantity	Unit	Unit price (₦)	Amount (₦)
Monthly revenue (two cycles)	Branded garri packs sold	2,000 (1,000 per cycle)	Packs	600	1,200,000
Monthly operating Costs (two cycles)	Bulk garri, packaging materials, transport and handling	2	-	420,000	(840,000)
Estimated monthly net profit					**360,000**

Note: This projection assumes that the business completes two production and sales cycles per month.
Source: Field study.

Seasonality: This business is generally less affected by seasonality than production-based activities because it handles processed products that can be stored for longer periods. However, fluctuations in bulk product prices, especially garri and cassava flour, can tighten profit margins. Demand often rises during festive periods and may slow during times of reduced consumer spending.

Financial reality check: The projected profit assumes that all packaged products are sold during each production cycle and that product turnover remains consistent throughout the month. Fluctuations in garri prices, packaging costs, transportation expenses, location, market competition, and product demand may affect actual profitability. Businesses with strong branding, attractive packaging, and reliable distribution channels are generally better positioned to achieve higher profit margins and sustain long-term growth.

Recommended entry pathway: Begin with local markets and expand gradually into supermarkets and specialty stores.

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Cassava snack production

Table 16: Start-up costs for a business in cassava snack production

Expense category	Item description	Amount (₦)
Equipment	Mixer/dough kneader	150,000
	Oven or industrial fryer	300,000
	Heat sealing machine	40,000
	Digital weighing scale	20,000
	Tables, trays, bowls, and utensils	70,000
Production materials	Packaging materials	100,000
Inventory	Initial raw materials	350,000
Branding and compliance	Registration, branding, and marketing	70,000
Working capital	Reserve fund	100,000
Total start-up cost		**1,200,000**

Source: Field study

Table 17: Labour requirements for a business in cassava snack production

Position	Monthly cost (₦)
Owner/manager	Owner-managed
Production assistant	50,000
Packaging assistant	35,000
Sales/delivery assistant	35,000
Total labour cost	**120,000**

Source: Field study.

Note: Production assumption: Total production = 2,600 packs of different cassava snacks per month at an average selling price of ₦500 per pack.

Table 18: Monthly profit projection for a business in cassava snack production

Category	Item description	Quantity	Unit	Unit price (₦)	Amount (₦)
Revenue	Cassava snacks sold	2,600	Packs	500	1,300,000
Operating cost	Raw materials, cooking oil, flour, flavourings, sugar	-	-	-	(700,000)
	Packaging materials	-	-	-	(50,000)
	Labour	-	-	-	(120,000)
	Electricity/fuel	-	-	-	(50,000)
	Transportation	-	-	-	(30,000)
	Miscellaneous	-	-	-	(50,000)
Total operating cost					(1,000,000)
Estimated monthly net profit					**300,000**

Source: Field study.

Seasonality: The business generally experiences stable demand throughout the year because households, students, and workers consume snacks regularly. However, fluctuations in prices and demand can affect profitability. Sales often increase during festive periods, school events, and holiday seasons.

Financial reality check: The projected profit assumes that all 3,000 packs are sold within the month and that production remains consistent. Fluctuations in cassava flour prices, cooking oil costs, packaging expenses, electricity or fuel costs, and distribution challenges may affect actual profits. Typically, new entrants may not produce 3,000 packs in the first month of entering the market. Businesses that invest in strong branding, attractive packaging, product quality, and reliable distribution networks are generally more likely to achieve higher sales volumes and sustainable profitability.

Recommended entry pathway: Home-based production, vocational training programmes, or apprenticeship with food processors.

Cassava-based animal feed production

Table 19: Start-up costs for a business in cassava-based animal feed production

Expense category	Item description	Amount (₦)
Equipment	Drying platform/racks	100,000
	Hammer mill	350,000
	Feed mixer	250,000
	Weighing scale	20,000
	Sewing machine	50,000
	Storage facility set-up	100,000
	Generator	180,000
Inventory	Raw materials and additives	100,000
Working capital	Reserve fund	50,000
Total start-up cost		**1,200,000**

Source: Field study.

Table 20: Labour requirements for a business in cassava-based animal feed production

Position	Monthly cost (₦)
Owner/manager	Owner-managed
Machine operator	50,000
Production assistant	40,000
Loader/packer	30,000
Total labour cost	**120,000**

Source: Field study.

Note: Production assumption: Total production = 3,000 kilograms of cassava-based animal feed per month, at an average selling price of ₦450 per kilogram.

Table 21: Monthly profit projection for a business in cassava-based animal feed production

Category	Item description	Quantity	Unit	Unit price (₦)	Amount (₦)
Revenue	Cassava-based animal feed sold	3,000	kilograms	450	1,350,000
Operating cost	Cassava peels and by-products	-	-	-	(100,000)
	Feed additives	-	-	-	(700,000)
	Labour	-	-	-	(120,000)
	Fuel and electricity	-	-	-	(70,000)
	Packaging bags	-	-	-	(50,000)
	Transportation	-	-	-	(40,000)
	Equipment maintenance	-	-	-	(20,000)
Total operating cost					(1,100,000)
Estimated monthly net profit					**250,000**

Source: Field study.

Customers in the value chain: Poultry farmers, fish farmers, pig farmers, goat farmers, cattle farmers, livestock cooperatives, commercial feed distributors, integrated livestock farms.

Seasonality: Cassava-processing activity influences the availability of cassava peels and processing waste. Raw materials are easier and cheaper to obtain during peak processing periods. Feed producers may face shortages or higher procurement costs during low processing periods. Demand from livestock farmers tends to remain stable throughout the year.

Financial reality check: The projected profit assumes that the business consistently produces and sells 3,000 kilograms of feed each month. Actual profitability will depend on feed formulation costs, availability of cassava by-products, prices of supplementary feed additives, transportation costs, and customer demand. Feed additives typically account for the largest proportion of production expenses and can significantly affect profit margins when prices fluctuate. Similarly, access to reliable sources of cassava peels and processing waste is essential to maintain production efficiency.

Funding options

Access to affordable finance is one of the biggest challenges in the sector, due to limited collateral and the long cassava growing season. Many entrepreneurs rely on personal savings, family support, cooperatives, or informal lending arrangements when starting their businesses.

Several government programmes, development finance institutions, and agricultural funding initiatives provide loans, grants, guarantees, and business development support for agricultural enterprises and agroprocessing businesses. While eligibility requirements vary, entrepreneurs who maintain proper records, develop business plans, and participate in cooperatives often have better access to funding opportunities.

A selection of options is listed below:

- The Bank of Agriculture is a specialized agricultural finance institution that provides micro credits, (nano) loans, and other financial services to farmers, processors, cooperatives, and agribusinesses.
- The Agri-Business Small Medium Enterprises Investment Scheme, run by the Central Bank of Nigeria, supports agricultural businesses and SMEs through low-interest loans and entrepreneurship training. The maximum amount for short-term loans is ₦3 million; no collateral is required, but a formal business registration is necessary.
- The Agricultural Credit Guarantee Scheme Fund, managed by the Central Bank of Nigeria, reduces lending risks through loan guarantees and improves access to agricultural loans for farmers and agribusiness operators.
- The National Agricultural Development Fund provides agricultural grants and funding support to enterprises and value-chain participants that improve agricultural productivity, processing, and commercialization. It also runs several programmes aimed at supplying agricultural inputs, engaging young people, and supporting smallholders.
- The Nigeria Incentive-Based Risk Sharing System for Agricultural Lending is a non-bank financial institution that uses credit guarantees and risk-sharing mechanisms to improve access to agricultural finance for farmers, processors, and agribusiness investors. It also offers low-interest loans and business development support to entrepreneurs in the sector.
- SMEDAN implements the government's Agri-business Development And Empowerment Programme, which provides financial assistance, technical training, and capacity-building support to individuals and organizations involved in agricultural production, processing, and marketing.
- The Bank of Industry provides access to medium- and long-term financing, ranging from ₦5 million to ₦50 million, for start-ups and SMEs engaged in manufacturing and agroprocessing. It also offers special schemes targeting youth and women.

For many vulnerable groups and first-time entrepreneurs, formal loans may not be the most practical starting point. Alternative financing options that reduce borrowing risks while allowing entrepreneurs to gain experience before taking on sizeable financial obligations include:

- Personal savings and gradual reinvestment
- Cooperative savings and credit schemes
- Farmer associations and producer groups
- Community thrift and rotating savings groups
- Partnerships with processors or aggregators
- Apprenticeship followed by gradual business ownership

Entrepreneurs seeking access to agricultural loans can improve their prospects by doing the following:

- Maintain accurate financial records
- Register their business officially
- Develop simple business plans
- Participate in cooperatives or industry associations
- Demonstrate market demand and customer relationships
- Build a track record of consistent business operations

CHAPTER 4

Common mistakes and success factors

The cassava sector offers a wide range of income-generating opportunities. Although many entrepreneurs enter the sector because of strong market demand and relatively low barriers to entry, not all manage to establish a sustainable operation.

This chapter highlights some of the most common mistakes made by cassava businesses and the key practices associated with long-term success. The insights presented aim to help aspiring entrepreneurs make informed decisions, avoid costly mistakes, and improve their chances of building resilient and profitable businesses along the cassava value chain.

Common mistakes

Poor financial management

One of the main causes of business failure is poor financial management. Many small firms operate without proper accounting systems, which makes it difficult to track costs, profits, liabilities, and cash flow. Furthermore, business owners often mix their personal and business finances, leading to poor decision-making and an inability to assess profitability accurately. Over time, a lack of financial discipline can create liquidity problems and restrict access to formal financing options (International Finance Corporation, 2019).

Poor inventory and stock management

Companies often face difficulties because they do not manage their stock levels effectively. Excess stock can tie up valuable capital and increase storage costs, while insufficient stock can lead to missed sales opportunities and dissatisfied customers. Effective stock management helps companies balance product availability with financial efficiency and customer demand.

The contract-farmer model has proved highly beneficial for cassava processors because it allows them to coordinate tuber cultivation and manage supply more effectively. By aligning production with actual demand, processors ensure that harvesting takes place only when needed. When farmers are ready to process, they harvest cassava from the field and deliver it for immediate use, creating a more predictable and efficient supply cycle.

Inconsistent product quality

Many cassava businesses struggle to maintain consistent quality standards. Variations in product handling, processing methods, packaging, hygiene measures, storage conditions, and the quality of raw materials can lead to products that fall short of customer or exporter expectations. In formal markets, inconsistent quality often results in the loss of regular customers and makes it difficult to secure larger buyers. Consistency is particularly important, as reputation strongly influences purchasing decisions in agricultural markets (Naziri et al., 2014).

Weak maintenance culture

Machinery breakdowns and operational disruptions challenge many agricultural businesses. Preventative maintenance measures are often neglected until machinery or equipment breaks down, leading to costly repairs, production delays, and lost business opportunities. Companies that fail to budget for maintenance frequently experience avoidable operational disruptions that undermine profitability and customer satisfaction.

Underestimating logistics and transportation costs

Transport is one of the biggest cost drivers along agricultural value chains. New market entrants often underestimate the cost of moving raw materials, finished products, packaging, and equipment. Fluctuating fuel prices, poor road infrastructure – especially on farm access roads – and long distances to markets can erode profit margins significantly if they are not adequately considered in business planning (World Bank, 2019).

Ignoring relationships and networks

In many agricultural sectors, trust and reputation remain valuable corporate assets. Businesses that fail to build strong relationships with suppliers, customers, cooperatives, financial institutions and local stakeholders often find it difficult to access information, secure supplies, identify opportunities and respond to market challenges.

Success factors

Along the cassava value chain, long-term success is rarely determined by one factor alone. Studies on agricultural value chains indicate that business performance is influenced not only by the product or service offered but also by factors such as financial management, market access, quality control, operational efficiency, and business networks (Food and Agriculture Organization of the United Nations, 2013; International Fund for Agricultural Development, 2019).

For new entrants, particularly vulnerable populations and returnees, focusing on a few core business principles can significantly increase the likelihood of building a sustainable business and achieving long-term growth:

- **Start small and scale gradually**
  Rather than investing heavily at the outset, focus on understanding customer needs, improving operational efficiency, and building market relationships before boosting capacity. Gradual growth reduces financial risk and allows you to

learn from experience and adapt to changing market conditions.

- **Build reliable market relationships**
  Customer loyalty has proven to be one of the most important factors for the success of agricultural businesses. Prioritize reliability, responsiveness, and punctual delivery, as regular customers contribute to business stability and help to reduce the costs associated with constantly acquiring new customers.

- **Control quality consistently**
  Whether providing services, handling products, or manufacturing goods – maintaining consistent quality helps you to build trust with customers and secure long-term market access. Focus on quality to improve your chances of securing long-term supply agreements and accessing formal market channels.

- **Reinvest profits**
  Reinvest a portion of the profits in the business, as investing in equipment, storage capacity, better packaging, staff development, transport, and working capital often leads to increased productivity and greater competitiveness. This will enable you to grow more sustainably in the long term.

- **Diversify revenue streams**
  Reduce risks by serving different customer groups, offering complementary goods or services, or establishing multiple sales channels. Diversification helps to stabilize your revenue and improve your resilience in the face of market fluctuations. Having multiple sources of income means you are better able to cope with changes in demand or supply conditions.

- **Participate and partner with cooperatives**
  Relationships play a key role in the cassava sector. Join cooperatives, trade associations, and professional networks to access markets, training opportunities, funding, and shared infrastructure. Partnerships will help you overcome resource constraints and, especially in the early stages, tap in-to opportunities that would be difficult to access on your own.

- **Commit to continuous learning**
  Changing market conditions, input costs, consumer preferences, technologies, and regulatory requirements heavily influence the cassava sector. Remain flexible and open to improving your skills, monitoring market trends, and adapting your business strategies when necessary. Adaptability is often a decisive factor that distinguishes successful companies from those that fail.

Box 1: A familiar crop, a new beginning: Asimiyu Ayilara's cassava journey

Asimiyu Ayilara, a 66-year-old cassava farmer and returnee refugee, spent several months in Germany after leaving Nigeria in search of opportunities to expand his farming business. Following an unsuccessful asylum application and a period of uncertainty abroad, he returned to Nigeria through the ARRIVES programme and received about €2,000 ($2,285) in reintegration support, as well as business coaching and advisory services.

He used the support to revive and expand his 6-hectare cassava farm, diversify into maize, beans, and cowpea production, and improve farm productivity. The farm now employs 10 workers, and he is pursuing additional growth by securing government-leased farmland, obtaining financing from the Bank of Industry, and investing in cassava-processing equipment to increase garri production capacity.

Key lesson: Business success is not always determined by where opportunities are found, but by how effectively entrepreneurs use their skills, experience, support networks, and available resources. Mr. Ayilara's experience demonstrates the importance of resilience, diversification, continuous learning, and gradual expansion in building a sustainable cassava enterprise.

Source: ARRIVES/Valentine Ogunaka

CHAPTER 5

Self-assessment test

Is the Nigerian cassava sector right for me?
Answer each question honestly with 'yes' or 'no'. At the end, review your pattern, not just your score.

A. Skills and experience

1. I already have hands-on experience in farming, processing, or other agricultural activities.
2. I understand key cassava production practices or am committed to learn about them.
3. I can operate and maintain machines.
4. I pay attention to quality and food hygiene standards throughout production and processing.
5. I am willing to work with my hands daily.

B. Industry awareness and operations

6. I understand the demand for cassava and cassava-based products in local, regional, or industrial markets.
7. I know of the sector's operational complexity.
8. I am interested in learning about market trends and emerging opportunities in the cassava value chain.
9. I am organized when managing multiple activities, especially during peak periods.
10. I can accept feedback and make adjustments if needed.

C. Capital and financial cushion

11. I have start-up working capital that I can lock in for 12–18 months.
12. I have separate funds to cover my personal living expenses.
13. I am comfortable starting small and expanding gradually as the business grows.
14. I am comfortable managing finances, maintaining records, and tracking profitability.
15. I can negotiate effectively with input suppliers, transporters, processors, or buyers.
16. I understand basic inventory, storage, and stock management practices.

D. Mindset and expectations

17. I am comfortable operating in a relationship-driven agricultural business environment.
18. I can handle delayed payments, price fluctuations, and changing market conditions.
19. I am comfortable promoting my products or services and seeking new customers.
20. I am prepared for seasonal workloads and periods of intensive activity.
21. I am adaptable when faced with weather, market, operational, or logistical challenges.

E. Nigeria reality

22. I can manage infrastructure constraints such as poor roads or unreliable electricity.
23. I am comfortable dealing with local authorities, farmer groups, cooperatives, and community stakeholders.
24. I have, or can quickly build, trusted networks with relevant stakeholders.
25. I am physically present and available to supervise daily operations.

F. Motivation and long-term fit

26. I am entering the cassava sector with a long-term commitment to building a sustainable business or livelihood.
27. I am open to continuous learning, improved farming practices, and new technologies.
28. I am open to diversifying into higher-value activities over time.
29. I can tolerate slow growth, seasonality, and setbacks without abandoning the business immediately.

Interpreting your results

Mostly Yes	Good Fit	You are well suited to explore opportunities within the cassava value chain. Proceed to review the business opportunities presented in this report and identify options that match your resources and interests.
Mixed	Conditional Fit	You may still succeed in the sector, but certain gaps in skills, capital, knowledge, or commitment may need to be addressed. Consider starting on a small scale, seeking training, or partnering with experienced operators.
Mostly No	High-Risk Entry	The cassava sector may not align with your circumstances or expectations. Consider building relevant skills, gaining practical experience, or exploring other sectors before making significant investments.

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