

AGRA NIGERIA Operational Plan



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List of Acronyms



ADP	Agricultural Development Project
ADRA	Adventist Development & Relief Agency
AEZs	Agro-Ecological Zones
AfDB	African Development Fund
ASWG	Agriculture Sector Working Group
ATA	Agricultural Transformation Agenda
AUC	Africa Union Commission
BDS	Business Development Services
BMGF	Bill & Melinda Gates Foundation
CAADP	Comprehensive Africa Agriculture Development Program
CACS	Commercial Agriculture Credit Scheme
CIDA	Canadian International Development Agency
DANIDA	Danish Development Agency
DFID	UK's Department For International Development
DFIs	Development Finance Institutions
DP	Development Partners
EU	European Union
FDI	Foreign Direct Investment
Fis	Financial Institutions
FEPSAN	Fertilizers Producers and Suppliers Association
FISS	Farm Input Support Services Department
FMARD	Federal Ministry of Agriculture and Rural Development
FSP	Financial Services Provider
GDP	Gross Domestic Product
GES	Growth Enhancement Support
GIZ	German Development Co-operation
GST	Geographic Strategy Team

List of Acronyms.....cont.d



IFAD	International Fund for Agriculture Development
IFPRI	International Food Policy Research Institute
IMF	International Monetary Fund
JICA	Japan International Cooperation Agency
JSR	Joint Sector Review
M&E	Monitoring & Evaluation
MIRA	Micro Reforms for African Agribusiness
NABG	Nigeria Agribusiness Group
NAFDAC	National Agency for Food and Drug Administration and Control
NAIC	Nigerian Agricultural Insurance Corporation
NAIP	National Agriculture Investment Plan
NCAM	National Center for Agricultural Mechanization
NCRI	National Cereals Research Institute
NEPAD	New Partnership for Africa's Development
NERG	Nigeria Economic Recovery and Growth
NIMET	Nigerian Meteorological Agency
NIRSAL	Nigeria Incentive-Based Risk-Sharing System for Agricultural Lending
NISER	Nigerian Institute of Social and Economic Research
R&D	Research & Development
SEEDAN	Seed Entrepreneurs Association of Nigeria
SHFs	Small Holder Farmers
SME	Small and Medium Enterprises
TA	Technical Assistance
USAID	United States Agency for International Development
VCA	Value Chain Actors
WB	World Bank

Executive summary



Agriculture is increasingly becoming a key driver of Nigeria's economy contributing 26% to GDP and employing 42% of the population. In recent years, the Government of Nigeria (GoN) has placed fresh emphasis on the agriculture sector in its efforts to generate broad-based growth, diversify the economy away from crude oil, create jobs, and achieve food security. GoN has unveiled a new Agricultural Promotion Policy (APP 2016-2020) also known as **the Green Alternative** aimed at achieving food security goals, import substitution, job creation, and economic diversification. Investments in agriculture are anchored on the Agriculture Sector Investment Plan (ASIP) (the **Green Alternative Plan**).

Nigeria faces gaps in the agriculture sector which include sub-optimal sector coordination, low productivity levels, limited access to finance and a lack of market linkages therefore failing to leverage on a huge domestic demand for food and opportunities to export to neighboring countries. The potential for Agriculture development in Nigeria is immense and can potential be captured through targeted investments in specific value chains and catalyzing private sector investment e.g., Nigeria is the world's largest cassava producer and Africa's largest rice importer, opportunities to capture international markets for cassava and for import substitution for rice can be identified, assessed and potentially captured.

To address these challenges, AGRA and its partners recognize that consistent high-level interventions at federal level and state level are required to deliver a broad-based economic solution. AGRA will work with partners such as BMGF on federal level engagement and apply a dual approach which includes country support /policy engagement at State level (and federal level if needed) and systems and farmer development in prioritized states. The strategy draws heavily from lessons learned from AGRA's past investments in Nigeria totaling ~\$15 million with emphasis on gender inclusiveness and equity. It is a 5-year strategy targeting 1.9M SHFs in two states (Kaduna and Niger) and costing approximately US\$ 25M. Specific interventions will include:

- ❑ **Country Support at State Level and Policy Engagement:** supporting the governments of Kaduna and Niger States to translate the *Green Alternative* into action through improved policy formulation and implementation, enhanced coordination with agribusinesses as well as increased budget allocations to the sector.
- ❑ **System and Farmer Level Development:**
 - Facilitate public-private partnerships (PPPs) to tackle structural constraints hindering the uptake of new technologies and the creation effective agricultural systems;
 - Strengthening the capacity of farmers in Kaduna and Niger states to tap into existing and new market opportunities by increasing yield to produce surpluses and meeting quality requirements of selected market segments;
 - Enhance access to credit by financial institutions by de-risking SHFs and other Value Chain Actors (VCAs).

Nigeria's Agricultural Context

Nigeria's macroeconomic and agricultural sector context



1

- **Agriculture is increasingly becoming a key driver of the Nigeria economy having contributed 26% to GDP in 2016** compared to industry sector contribution of 20%
- For the past 5 years, agriculture contributed 22% on average and has been growing at ~4.1 % pa.
- The key driver of agricultural growth is increased crop production e.g. between 2011 to 2014 food production grew by 21 MT which led to a reduction of the food import bill by almost 400% over that period
- About 42 % of the population is employed in agriculture and as such, investments in the ag sector could lead to further employment creation especially for the youth, 50% of whom are unemployed.
- Women account for 75% of the farming population in Nigeria working as farm managers and suppliers of labor.

Increase in productivity thus contributes to the overall macro economy through job creation and expanding the forex base by reducing the import bill.

2

Incentives to boost agriculture sector –GoN has made key efforts to enhance the performance of the ag sector:

- The Nigeria Incentive-Based Risk Sharing for Agricultural Lending (NIRSAL) to de-risk lending to SHFs and other value chain actors;
- Commercial Agriculture Credit Scheme (CACS) to promote agri-enterprises and the Anchor Borrowers Program to create economic linkages between SHFs and reputable large-scale processors to increase agricultural output;
- Agricultural Credit Support Scheme (ACSS) to enable farmers exploit the untapped potentials of Nigeria's agricultural sector; Agricultural Credit Guarantee Scheme Fund (ACGSF) guarantees credit facilities extended to farmers by banks up to 75% of the amount in default net of any security realized.
- Agricultural Transformation Agenda (ATA) that brought about reforms in the input delivery system
- Technology advancement such mobile phone platforms to digitize farmers records for easy access to input and output markets- distribution of fertilizer subsidy leveraged e-wallet a digitalized platform.

These opportunities provide a solid platform to build on for future investments in the ag sector.

3

Key Challenges in the Sector:

- Nigeria is a food importer, spending an average of USD 11 billion a year on wheat, rice, sugar and fish;
- It has 82M ha of arable land of corresponding to 90% of its total land area of 91 million ha. Only 7% of potential irrigation land (3 million ha) has been put to use;
- The adoption rate of improved seeds is moderate and growing (40% for maize, 60% for rice) and fertilizer usage is at 13 kg/ha compared to optimal use of 50kg/ha;
- 65% of smallholder farmers cultivate using the hand hoe, 25% draught animal power and 10% tractors ;
- There is limited lending to agricultural value chain actors due to high perceived risks in the sector;
- Rain-fed agriculture is the dominant type across all agro-ecological zones

There exists huge opportunities to expand production by increasing the area under cultivation

4

Government prioritization of agriculture has not been matched with increased investment:

- Agricultural spending averages ~2% of the federal budget lower than the 10% target set by CAADP;
- Financial institutions are generally reluctant to lend to agriculture due in part to their insistence on traditional collaterals and also because credit appraisal techniques and risk acceptance criteria for banks are not well suited to the sector.
- Total debt to GDP is at ~11% which is relatively good and GoN can therefore raise additional funding for infrastructure which would be directly beneficial to the ag sector such as rural electrification.
- Sector budget spending rate is low and stood at 21% in 2015

In its strategy, Nigeria seeks to build an agribusiness economy capable of delivering sustainable prosperity to its citizens

NIGERIA's agricultural sector policy 2016-2020, the Agricultural Promotion Policy (APP) also known as the Green Alternative seeks to work with key stakeholders to **build an agribusiness economy capable of delivering sustainable prosperity by meeting domestic food security goals, generating exports, and supporting sustainable income and job growth.**

Description

Core objectives

Grow the integrated agricultural sector at an annual rate of between 6% and 12%
Integrate agricultural commodity value chains into broader supply chain of Nigerian and global industry to create jobs and wealth and increase food exports
Improve the governance of the agricultural sector and quality of engagement between federal and state governments

Priority investment areas

The **Green Alternative** has prioritized rice, wheat, maize, fish, dairy milk, soybeans, poultry, horticulture, and sugar for domestic production alongside cowpeas, cocoa, cashew, cassava, ginger, sesame, oil palm, gum-arabic, yams, horticulture, beef and cotton for exports.
The strategy seeks to close yield gaps by partnering with the private sector and farmer groups to develop end-to-end value chain investment priorities.

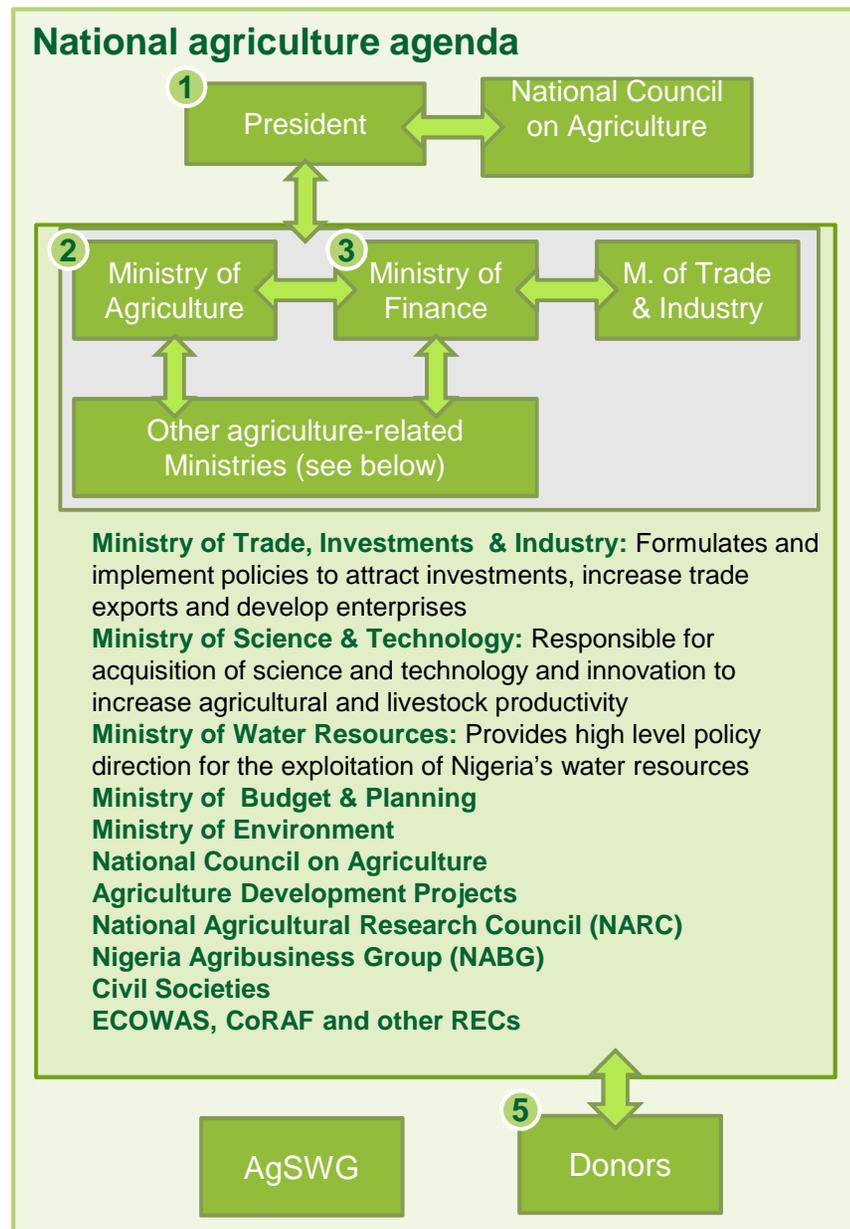
Major investments & results

National Program on Food Security (2003 -2006) supported by FAO
Agricultural Transformation Agenda (2011-2015) created over 3.5 m jobs, increased domestic food supply by 20 MT (2 MT of rice, 17 MT of cassava and 1 MT of sorghum)
WB-supported *Fadama* Program
Financial risk mitigation (NIRSAL credit guarantees, Cassava Fund, and FAFIN/KfW Facility for Agribusinesses)

Government resourcing

Nigeria is yet to meet CAADP target of 10% public expenditure on agriculture . Agriculture spending averaged just 4.6 percent of overall federal spending between 2008 and 2014. State level spending are broadly similar, ranging from 2.0- 9%).

Sector governance is within the purview of the Federal Ministry of Agriculture and Rural Development (FMARD) run under the Federal Government



Institutional arrangement and responsibilities

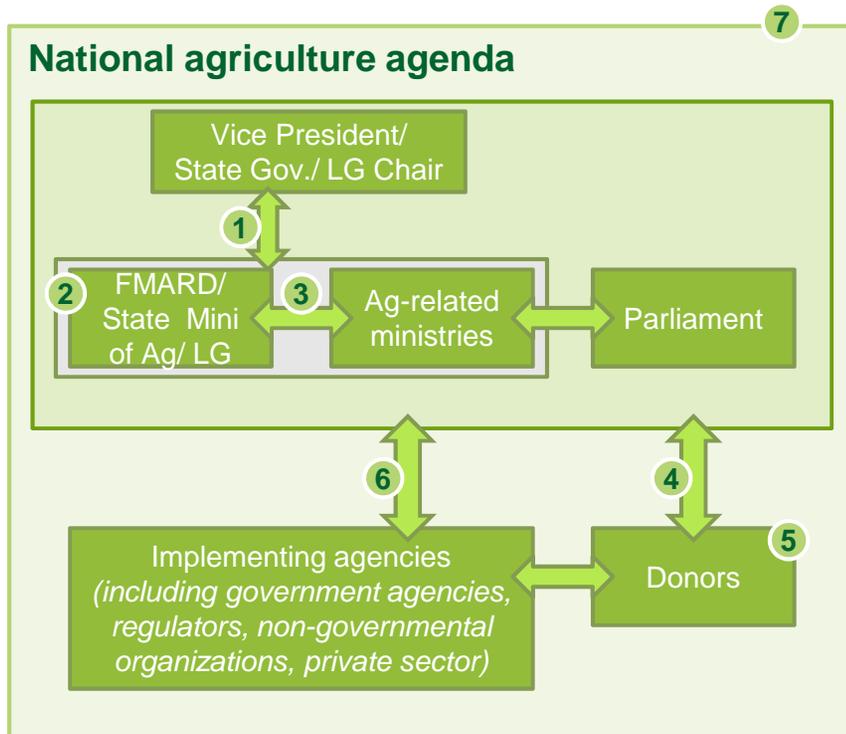
- 1 President**
Overall in charge of setting country strategic direction

- 2 Federal Ministry of Agriculture and Rural Development**
Provides high level policy direction for implementation of Nigeria's agriculture agenda
FMARD has about 40 parastatals, department and agencies for agriculture policy implementation

- 3 Ministry of Finance**
Responsible for managing Nigeria's finances in an open transparent, accountable manner that delivers on the country's development priorities

- 4 NOTE on the Roles and responsibilities of the three-tiers of Government in the Agriculture sector**
 - The Federal government is responsible for the **provision of a general policy framework** (including macroeconomic policies) and guidance to all stakeholders on the direction that agriculture and the rural economy will pursue.
 - **State governments, in turn, are responsible for procurement and distribution**, through private sector channels, of inputs (including fertilizers); investments in rural roads and water supplies; and promotion of micro and rural credit institutions (with support from the federal government); and promotion of agricultural commodities development and marketing institutions.
 - Over time, local government authorities are mandated to take over the responsibilities of the state governments with respect to agricultural extension, rural infrastructures; management of irrigation dams; farmer organizations and local institutions; and local data collection

A number of mechanisms exist to ensure inter-ministerial and sector coordination



Coordination bodies and responsibilities

- 1 Coordination with, and buy-in from federal and state govts.**

 - Hon. Minister, FMARD
 - State Commissioners of Agriculture (36 States & FCT)

Three-tiers of Government need to allocate more resources to better match expenditure to policy priorities

- 2 Boost internal FMARD capacity and service delivery coordination**

Hon. Minister, FMARD

- 3 Support inter-ministerial coordination**

Office of the Vice-President
Enhanced coordination and increased stakeholder engagement]

- 4 Government/donor coordination**

Team Leader, Efficiency Unit

- 5 Support inter-donor coordination**

Co-Chairs of Donor Working Group] (World Bank & GIZ)
Aligning donor investments to government ag development strategy
Includes World Bank, USAID, DFID-UK, KfW, IDG, BMGF, New Alliance, EU, Ford Foundation, AfDB, GTZ, Netherlands, etc.

- 6 Support coordination of implementing agencies (incl. private sector) to deliver on government priorities**

Projects Coordination Unit (proposed)

- 7 Coordination with regional bodies (AU/NEPAD, RECs) on CAADP**

CAADP Focal Person
Support infrastructure , staff and office facilities

Despite GON's prioritization of the agricultural sector, it is still mired with food insecurity and low incomes for SHFs.....



Opportunities for sector transformation may lie in prioritizing areas that have the most impact on food security, improving sector coordination especially with devolution and timely implementation of flagship programs

Strengths

- Global leadership in production of major staples such as cassava, cowpea, and yam
- Implementation of well-planned ATA focused on how to make Nigeria's agriculture more productive, efficient and effective.
- Reform of agriculture sector based on a principle of agriculture as a business.

AND

Opportunities

- Low productivity - high yield gaps (>50%) in most staples.
- Poor access to input and output markets and high post-harvest losses in cereals (~30%)
- Average fertilizer use is 13 kg/ha compared to world average of 50 kg/ha in Africa and 150 kg/ha for Asia.
- Limited lending to the agriculture sector – grew from 2% in 2011 to 13% in 2014....

Sector strategy, governance and coordination

Strengths

- Sound agricultural promotion policy document (The Green Alternative) published
- Strong donor coordination mechanism in place through the ADWG

AND

Opportunities

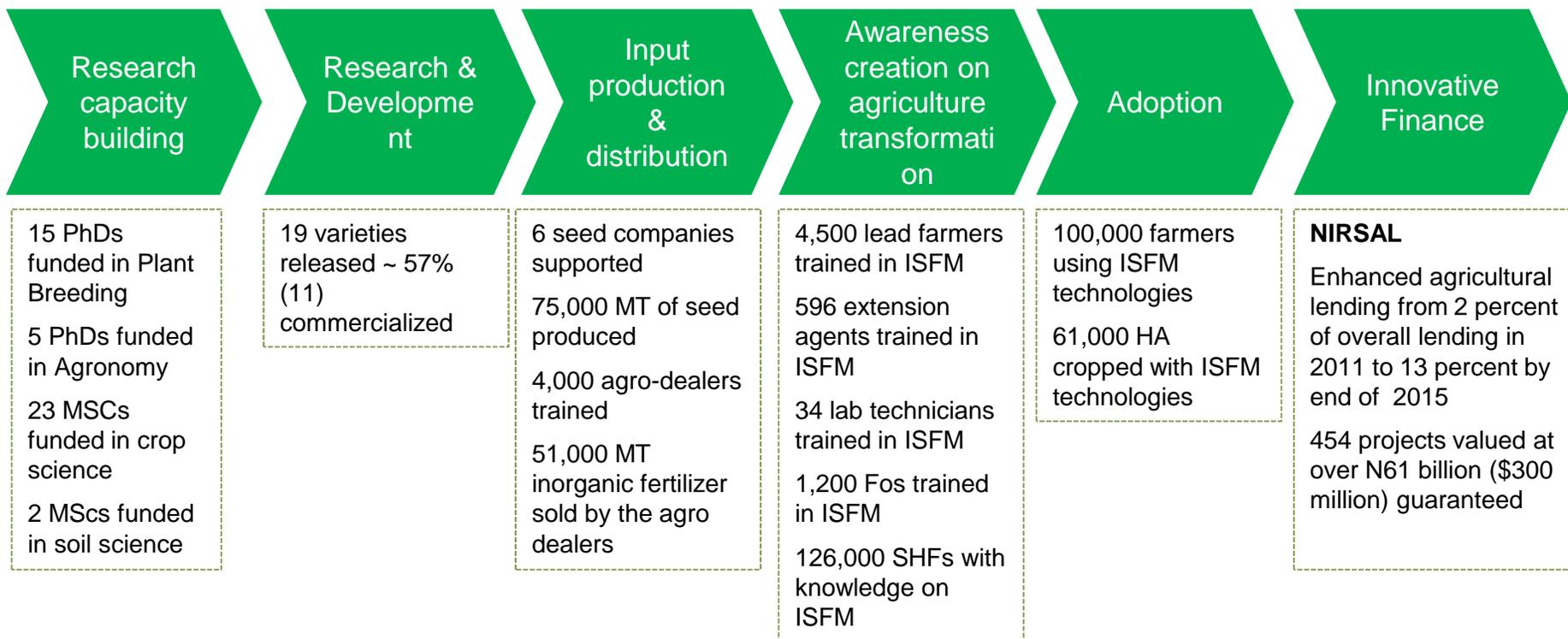
- Slump in global oil prices underscored value of agriculture as alternative revenue base and job creation
- Significant coordination and implementation challenges in a complex governance system (federal, state and local government)

Lessons AGRA has learned from its investments in Nigeria

Over the last decade, AGRA has invested \$15 million in Nigeria and contributed to sector development...



AGRA's focus was to strengthen public institutions with human capacities necessary to drive the sector technological development and adoption to improve yields, strengthen sector access to finance while supporting private sector and other institutions to deliver services to farmers



...and learned a number of lessons on developing agriculture systems that are driving future programming and investments



Coordination and Enablers

- ❑ Establishment of Agricultural Transformation Agenda (ATA) was a noble idea by the previous government – however, this was not anchored on policy and therefore was not institutionalized. It is important to ensure institutions have the necessary legal framework to ensure sustainability;
- ❑ Although NIRSAL has trained 60,000 farmers and enhanced lending to agriculture from 2% in 2011 to 13% in 2015, interest rates are high and some value chain actors such as fertilizer businesses were not covered.
- ❑ Deregulation in the fertilizer and seed sectors has reduced market inefficiencies, curbed corruption, and ensured that more farmers get their hands on the inputs they need

Systems Development

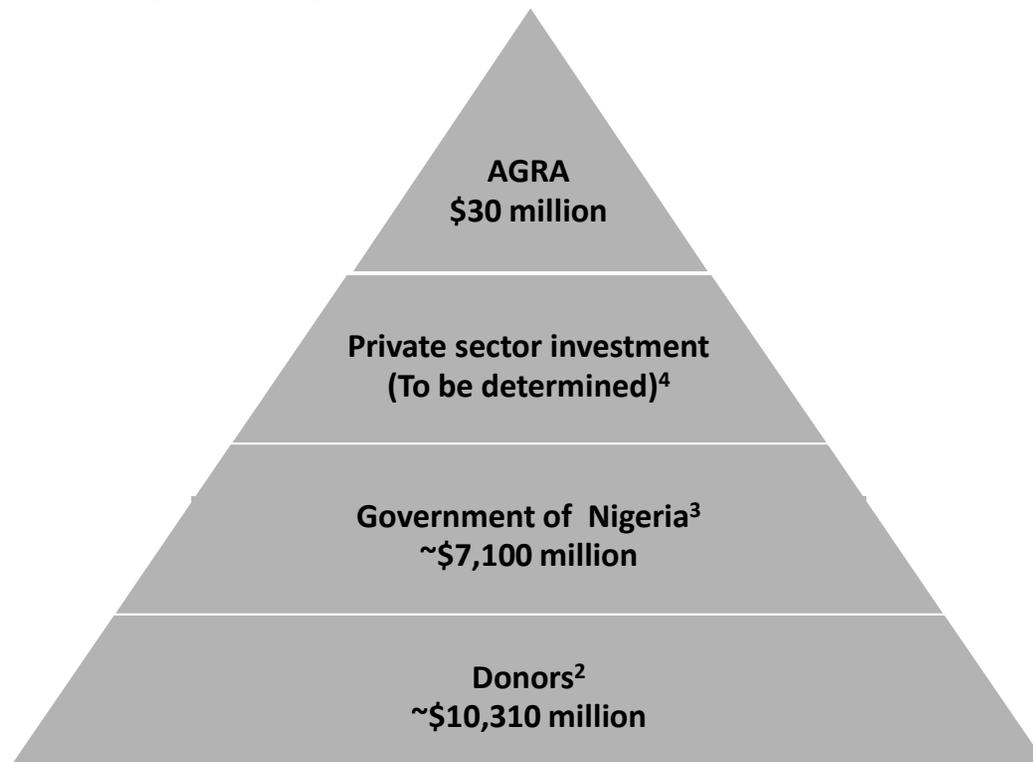
- ❑ Existing seed growers have considerable experience in seed production but lack the marketing skills to grow retail outlets and farmer demand. For instance capacity utilization by Manoma Seeds in Funtua has dropped significantly from 6,000 MT to 1,000 MT following stoppage of government seed purchases.
- ❑ Stronger partnerships between national breeders and private seed companies are needed to enhance commercialization of early generation seeds
- ❑ Agrodealer characterization enhances targeting of agrodealers for service offering. AGRA's database and directory of agrodealers in Nigeria improved business linkages between NAIDA members and seed companies and women participation in trade association.
- ❑ Use of technology transfer centers and product exhibitions substantially improved technology uptake by farmers and other value chain actors.
- ❑ Incorporating feed back sessions and use of audio-visuals substantially improved technology uptake by farmers compared with class room lecture method only.

These lessons culminate in a critical recognition that AGRA's funds are insufficient to drive transformation in Nigeria



AGRA recognizes that with US\$ 30M its investments are <1% needed to drive an inclusive agricultural transformation in Nigeria; therefore, going forward, AGRA will selectively invest where it sees opportunities to be catalytic.

Proposed expenditure and investments¹



- AGRA's strategic vision in Nigeria can only be achieved through strong partnerships with other players in Nigeria
- AGRA will prioritize interventions that catalyze and complement funding committed by the Government and donors
- AGRA is committed to:
 - Alignment with Government priorities and programs
 - Boosting government capacity for strategic planning and implementation
 - Participating in and supporting government coordinating mechanisms
 - Catalytic system investments to scale known models and technologies

1: Figure not drawn to scale

2: Official Development Assistance (ODA) flows, Other Official Flows (OOFs) and Private Grant/Flows reported by donor countries, multinational organizations and private entities to OECD DAC Directorate for all purposes related to agriculture except forestry and general environment protection

3: FAOSTAT 2012 data flat-lined for 5 years

4: Exact estimates for private sector investment are unknown and therefore conceptual

SOURCE: FAOSTAT; ReSAKKS; AGRA analysis

AGRA's Strategic Choices and Operational Plan

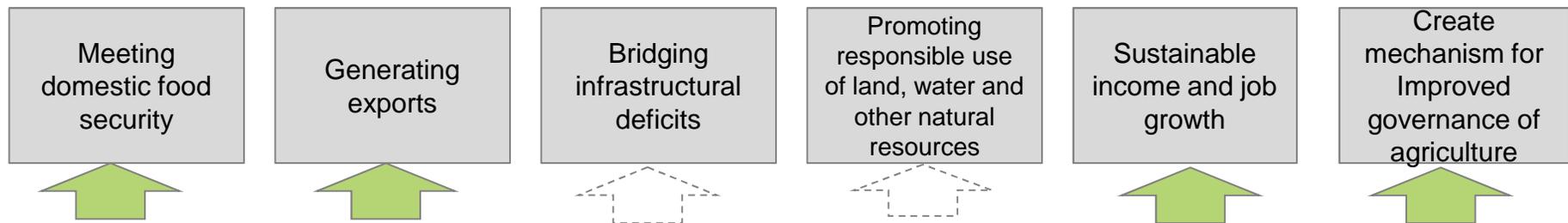
Agra's strategy and Vision in Nigeria



Having worked in Nigeria over the last 10 years, AGRA and its partners have built an asset base in technologies that if scaled could have significant impact on the status of agriculture in Nigeria. AGRA's new strategy seeks to bring all the elements of the agricultural value chain together and contribute to the National Strategy

Nigeria's vision for Agriculture development

Nigeria in its Agriculture Promotion Policy (APP) also known as the Green Alternative has a vision to build an agribusiness economy capable of delivering sustainable prosperity by meeting domestic food security goals, generating exports, and supporting sustainable income and job growth.



AGRA's strategy for Nigeria

To catalyze and sustain inclusive agriculture transformation in Nigeria by contributing to:

- 1) the government's (federal and State) need for a strong agriculture sector with effective coordination and implementation capabilities;
- 2) Strengthening the Agriculture sector delivery systems in selected states for improved productivity and marketing of produce to impact incomes and improved food security for at least 1.9 million smallholder households

AGRA's approach in Nigeria will focus on Country Support and Policy Engagement and System and Farmer Levels Development



AGRA believes that in Nigeria there is room to drive scale through: a) 'Light touch' targeted strategic support (if relevant) to FMARD in collaboration with/strongly leveraging the presence of our partners e.g., BMGF, b) strong emphasis on tailored support to select State Ministries of Agriculture to support planning and delivery capacity, c) investments to support development of an enabling environment and d) working with private sector to build systems that improve access and drive sustainability. The support package will be tailored over time to respond to emerging needs

Country support and policy engagement

- ❑ At federal level
 - ✓ Facilitate ownership of GAIP and accountability among stakeholders at all levels through engagement at state/regional level
 - ✓ Support strengthening of enabling policy environment including through evidence-based advocacy and inclusion of non-state actors for efficient budgetary allocation and use of resources
- ❑ Supporting the state governments of Kaduna and Niger to translate the *Green Alternative* into action through:
 - ✓ Strategy / analytics support for State level planning
 - ✓ Enhancing implementation mechanisms and coordination with private sector

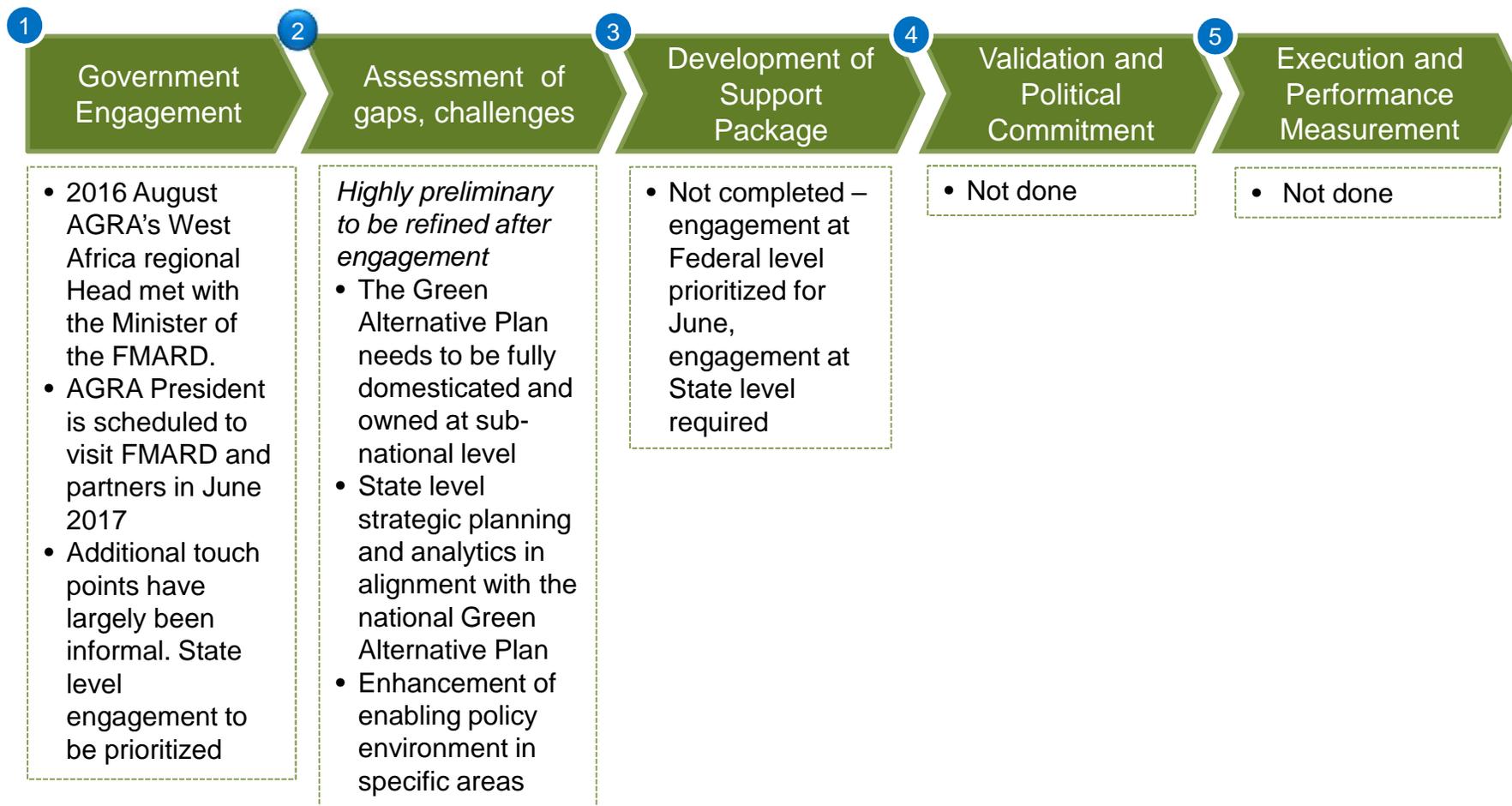
System and farmer level development

- ❑ Facilitate PPPs to tackle structural constraints hindering the uptake of new technologies and the creation effective agricultural systems.
- ❑ Strengthen input supply systems and linkages to output markets to facilitate the uptake of yield-enhancing agricultural technologies
- ❑ Facilitate access by smallholders to aggregation, processing, and marketing services (ex. information on VC actors, prices at various markets) through virtual platforms
- ❑ Service delivery to farmers (e.g., mechanized farming services, crop insurance, transportation of produce to buyer)
- ❑ Support FIs, MNOs and VCAs to develop appropriate and affordable digital financial and non-financial products and services

AGRA's Country support at Federal and State level is highly preliminary and shall be a focus for the next months



The need for AGRA to prioritize, partner and leverage is keener in Nigeria compared to other countries due to a combination of the complexity of the country context, vast country needs and the opportunity presented by key in-country partners such as BMGF. The country support package will be limited to where AGRA 's investments can catalytic and leverage investments by other partners in order to drive scale. AGRA will work in close collaboration with and leverage BMGF's investments to provide Federal level support to the Ministry with a deeper AGRA engagement at State level.



Country support and Policy Engagement



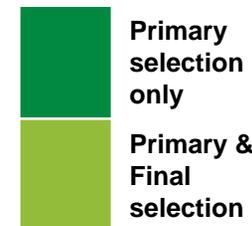
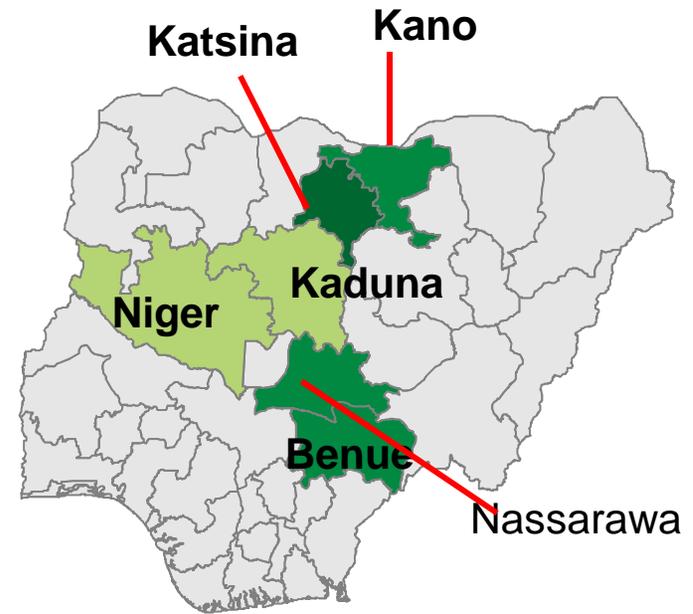
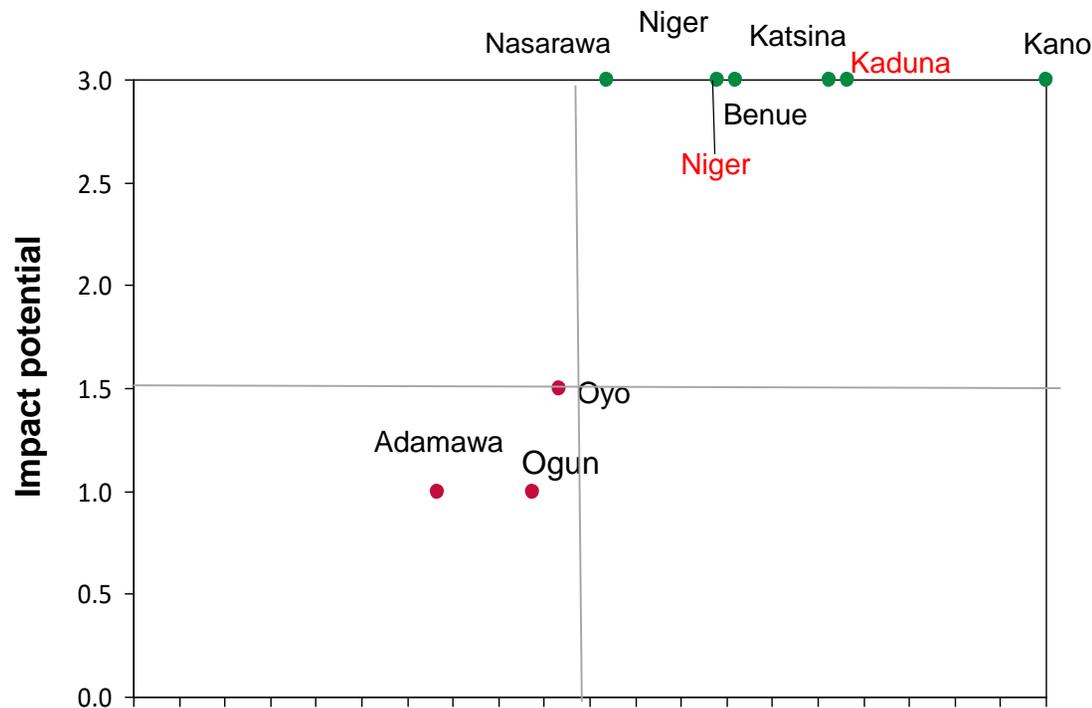
Based on Nigeria's needs and leveraging AGRA's comparative advantage in support governments in building institutional capacity and creating a favourable environment for the private sector, AGRA will drive strengthened capacity for driving evidence based planning, implementation alignment between government bodies, increased coordination between FMARD and external stakeholders and an enhanced policy environment for private sector investments

Strategic area	indicative interventions	Potential partners	Link to results framework
Enhance sector evidence based planning and analytics and coordination	Facilitate ownership of draft NAIP through regional / state based stakeholder validation. AGRA to support regional validation workshop	FMARD, ADWG, State Ministries of Agriculture, NABG	IO 8.1: 8.3 CC 9
	Support State level: <ul style="list-style-type: none"> Evidence-based planning in alignment with the national plan Enhancement of implementation mechanisms and coordination with private sector Resource mobilization e.g., Facilitate the increase of budget allocations to the sector. 	State Ministries of Agriculture, Min. finance, other relevant ministries	
	Provide evidence-based advocacy and inclusion of non-state actors for efficient budgetary allocation and use of resources	NABG, NISER, National & State Houses of Assembly, Action -Aid	
Support development of an enabling environment	Facilitate the creation of an enabling environment through provision of evidence based policy reform such as: <ul style="list-style-type: none"> Seed Policy Fertilizer Policy Commodity marketing, storage, post-harvest and agro-processing policies and legislation 	NASC, SEEDAN, NABG, NCRI, NISER, IAR-ABU, FISS, FEPSAN, NABG NAFDAC, SON, NSA AMD, NCX, AFEX, NABG SAA-G2000, IAR, NSPRI	

To deliver system and farmer level interventions, AGRA will prioritize regions with high potential for impact



Prioritization of regions



Initial prioritization produced 6 states which were further 'right-sized' to 2 states

Key

Primary regions

Secondary regions

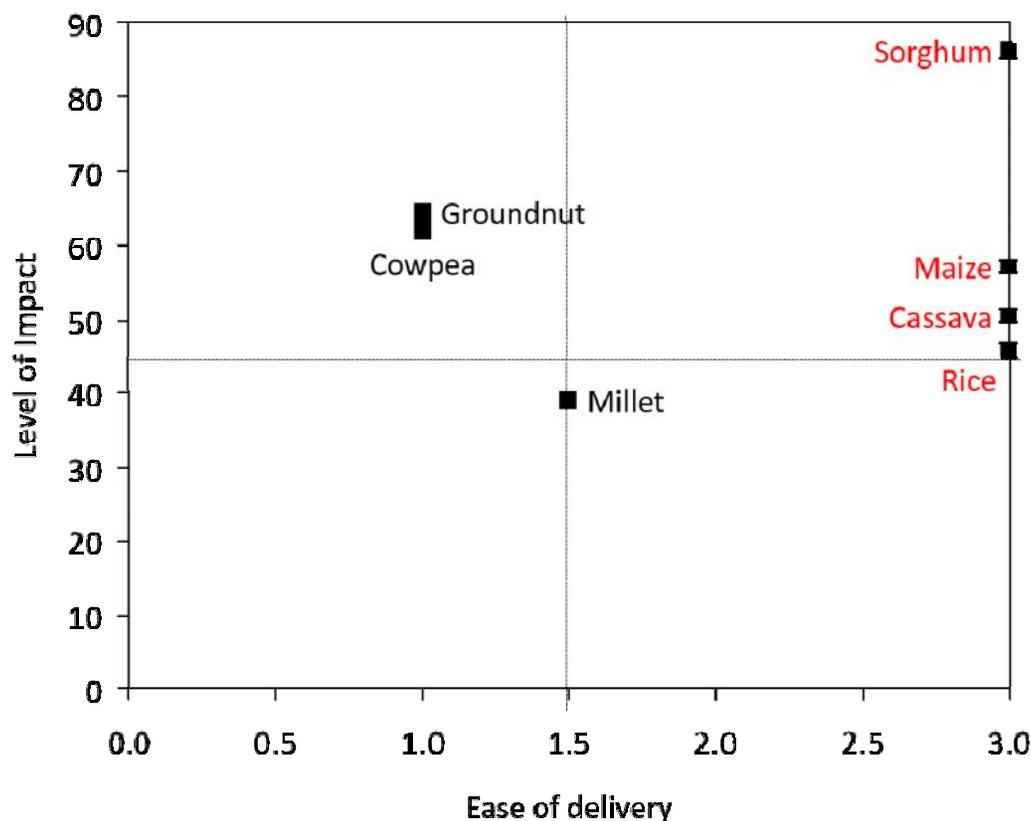
Scoring criteria (equally weighted)

- Impact potential - Number of farmers; Expected future demand (High/ Medium/ Low)
- Ease of delivery - Focus from the government, donors and private sector (High/ Medium/ Low); AGRA capabilities and past investments (High/ Medium/ Low)

And within these regions AGRA will focus on three priority crops



Prioritization of crops



Scoring criteria (equally weighted)

- Impact potential - Number of farmers; Yield gap (%); Expected future demand (High/ Medium/ Low)
- Ease of delivery - Focus from the government, donors and private sector (High/ Medium/ Low); AGRA capabilities and past investments (High/ Medium/ Low)

Maize

- **Impact potential:** major staple for low-income rural and urban households. About 8 million smallholder farmers produce more than 90% of the country's cassava. Demand estimated to increase at 3.2% annually.
- **Ease of delivery:** AGRA has investments in maize seed varieties; Priority crop for government Green Alternative strategy

Rice

- **Impact potential:** World's second largest importer (> \$1b imported annually). Per capita consumption grew from 25.4 kg/capita in 2006 to 36 kg/capita in 2015. Consumption projected to grow at an annual rate of 2.8%.
- **Ease of delivery:** Similar to maize, AGRA has supported release of new varieties and value chain dev for import substitution

Cassava

- **Impact potential:** Staple food for millions. World's largest producer (53 million MT in 2013). Growing at > 4 % in last decade, thus potential to increase income for 30 million farmers. Industrial demand is expected to grow to 4.8 million MT by 2020
- **Ease of delivery:** Strong AGRA assets - released several new varieties. Potential to work with SME processors of high quality cassava flour (HQCF)

And analysis shows the need to prioritize system development in Kaduna and Niger



To deliver on systems development, AGRA will prioritize maize, rice and cassava in the two states



Kaduna State

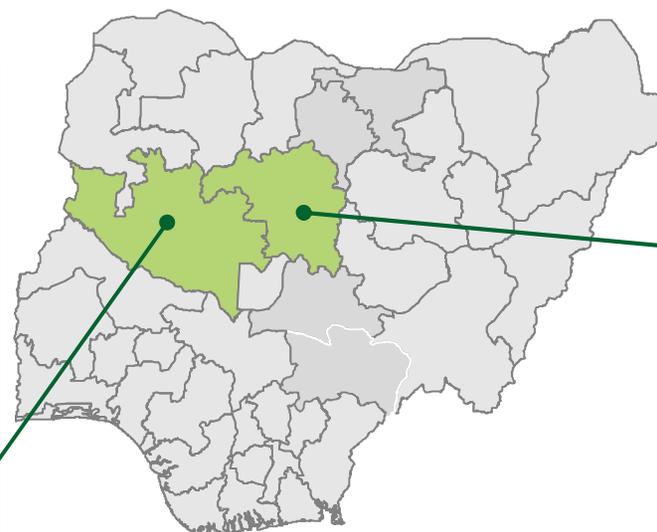
Over 800K farmers; Maize is primary crop, supplies region

A number of Seed companies located in Kaduna due to proximity to high numbers of farmers

Strongest road/infrastructure network (relative to other states)

Strong AGRA assets base especially with seed companies and agrodealers

Challenges remain: Ineffective market structure, resulting in poor prices; Limited storage facilities; Poor soils due to intensification; Prone to drought, bush burning, and pest attacks



Niger **1,104,034 farmers**

Over 1 million farmers, focus crop is rice

Significant investment pipeline for ag. dev. From AfDB (\$300M+ in grants)

Heavy historical AGRA investments (e.g., oil health)

Poor road network (relative)

Limited access to finance

Poor soil structure, but being focus of OCP/IITA in developing better blends

Regional statistics

Crop	Acreage, ha	Farmers,
MAIZE	631,888	537,797
RICE	547,495	382,945
CASSAVA	325,554	996,058

Input systems development



In Niger and Kaduna States, AGRA will drive productivity and adoption anchored in large scale off-taker agreements for aggregation, processing, and marketing

Strategic choices	Intervention description & AGRA's role	Potential partners	Approach to scaling	Results framework
Input systems development	Drive adoption by linking smallholder farmers to quality inputs and best-practice agronomy through forward contracts	NCRI, IAR, NRCRI, ADP, Africa Rice SASAKAWA, Fortis MFB, Premier Seeds, Seed Project, Maslaha	Scale through private sector partnership: Market-driven (i.e., pull) intervention to incentivize farmer better practices/crop quality and development of private-sector partnerships through contracts with established markets	IO 1.1, 1.2,1.3, 2.1,2.2
	Facilitate input supply linkages within the value chain through development of agribusinesses	Niger: ONYX, Dangote. OLAM, Kaduna - Mi Agro, Jubaili, Africa Agro, Premier, Da All Green Seeds	Private sector partnerships with buyers, combined with BDS to women and youth agripreneurs to establish own economically-viable SMEs (incl. access to credit)	IO 1.1, C.C 12

Market systems development (1/2)



In Niger and Kaduna States, AGRA will drive productivity and adoption anchored in large scale off-taker agreements for aggregation, processing, and marketing

Strategic choices	Intervention description & AGRA's role	Potential partners	Approach to scaling	Results framework
Market systems development	Facilitate access by smallholders to aggregation, processing, and marketing services (ex. information on VC actors, prices at various markets)	ONYX, Dangote, OLAM, Kaduna: Falki Industries, Mamia Oils, OLAM, ZIL Merchandise, HALMART, Kusandi, Tokoyan Gwari	Private sector deal making platform for effective coordination of VCAs to establish inclusive and economically beneficial partnerships across value chains	IO 4.2, 5.1, 5.3
	Facilitate Forward contracts between FOs and anchor buyers	Niger: ONYX, Dangote, OLAM Kaduna: AATF	Support mechanism for contract negotiation and compliance, ensuring that smallholders are integrated into existing value chains	
	Service delivery to farmers (e.g mechanized farming services, crop insurance, transportation of produce to buyer)	Niger: NAIC, Fortis MFB, NCAM, NARTO Kaduna: TOFAN & TOAN Tractor Services, Tractor Association of Nigeria	Private sector players providing services such as insurance and transport will be the scaling partner. Farmers use of appropriate inputs will lead to constant supply required by the private sector and therefore generate demand and increase volumes	
	Develop a sustainable, real time virtual aggregation platforms for input purchase by farmers and agro dealers	Kaduna: SAA-G2000, Babban Gona, Saro Agro Services, Sunseed Nig Ltd TAK-AGRO	Private sector deal making platform for better integration of smallholders into agri-economy and ensure price/quality are sufficiently evaluated	
Building the capacity of the demand and supply side of the financial value chain	Support FIs, MNOs and VCAs to develop appropriate and affordable digital financial and non-financial products and services	Banks, mobile network operator and VC actors	Scaling through financial institutions whose well developed products will be optimized to generate demand	IO 6.1, 6.2, CC 12
	TA / BDS support for ag-SME (book keeping, computer accounting systems, Business planning etc)	Ag-SMEs: Processors, agro-dealers,	Capacity building with private sector to reduce lending risk and increase demand	

Country results framework and budget

Nigeria Results Framework



- AGRA's overall goal in Nigeria is to Catalyze and Sustain an Inclusive Agricultural Transformation to increase Incomes and improve Food Security of 1.9 M smallholder farming households through strategic country support and government engagement coupled with a set of targeted catalytic downstream and systemic investments made through its alliance of partners.
- Agricultural transformation is defined as a **process by which farmers shift from highly diversified, subsistence-oriented production towards more specialized production** oriented towards the market or other systems of exchange, involving a greater reliance on input and output delivery systems and increased integration of agriculture with other sectors of the domestic and international economies.
- Nigeria's goal and objectives are directly contributing to the SDG two of ending hunger, achieving food security and improved nutrition and promoting sustainable agriculture. AGRA is equally committed to implementing interventions that are contributing to the AU Malabo declaration, aligning the Nigeria Results Framework with the CAADP framework .
- To achieve its ambitious goal, AGRA seeks to contribute to four inter-related and inter-dependent objectives: 1) Increased staple crop productivity for smallholder farmers, 2) Strengthened and expanded access to output markets, 3) Increased capacity of smallholder farming households and agricultural systems to better prepare for and adapt to shocks and stresses, and 4) Strengthened continental, regional and government multi-sectoral coordination and mutual accountability in the agriculture sector. Interventions in Nigeria will contribute directly to 7 out of the 8 overall AGRA Primary Outcomes, all the five cross-cutting outcomes and directly contribute to most of the overall AGRA's intermediate outcomes.

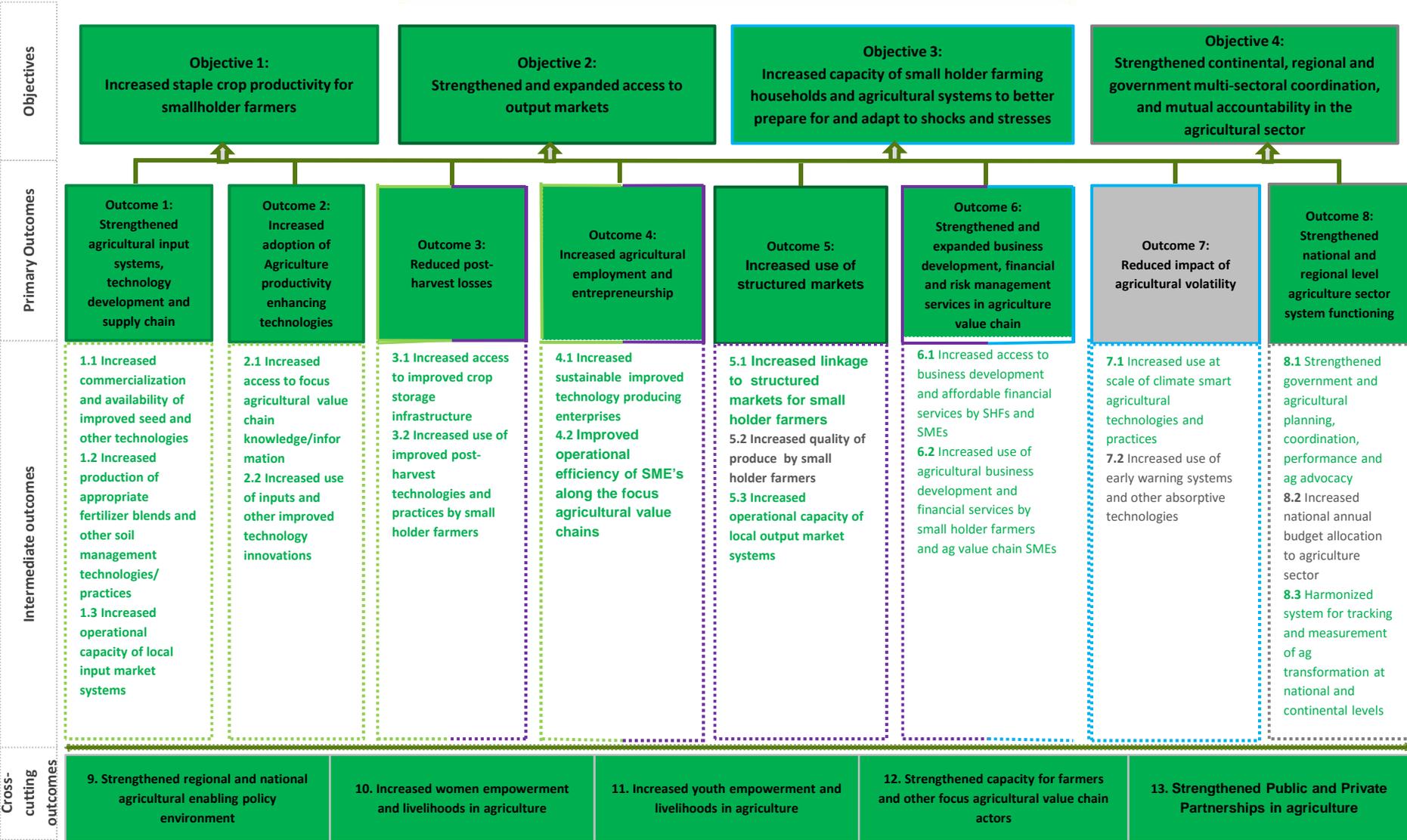
Nigeria Results Framework

Direct Focus

Indirect Focus



Goal: Catalyze and Sustain an Inclusive Agricultural Transformation in Africa to increase incomes and improve food security



Key Country Indicators and Targets



Indicators achievement by AGRA interventions



Indicators at nations level



1 GOAL LEVEL INDICATORS I	Baseline 2017	2018 Target	2019 Target	2020 Target	2021 Target
Average number of months of adequate household food provision	-	-	-	-	-
Improved food security: Household dietary diversity index)	-	-	-	-	-
2 OBJECTIVE LEVEL INDICATORS	Baseline 2017	2018 Target	2019 Target	2020 Target	2021 Target
Average yield (MT/ha) of Crop1	-	-	-	-	-
Average yield (MT/ha) of Crop 2	-	-	-	-	-
Average yield (MT/ha) of Crop 3	-	-	-	-	-
3 PRIMARY LEVEL OUTCOMES INDICATORS	Baseline 2017	2018 Target	2019 Target	2020 Target	2021 Target
Adoption rate of target improved productivity technologies or management practices at farmer level)	-	-	-	-	-
Percent of crop losses during storage)	-	-	-	-	-
Number of jobs created by SMEs receiving AGRA support along the focus value chains)	-	-	-	-	-
Percent of total household produce sold through structured market facilities/arrangements)	-	-	-	-	-
Percent of loan/risk facilities directed to agricultural activities/SMEs in target financial/risk providers	-	-	-	-	-
Percent of target households with perceived adaptive or coping strategies to shocks and stresses	-	-	-	-	-

Key Country Indicators and Targets



4 INTERMEDIATE OUTCOMES LEVEL INDICATORS	Baseline 2017	2018 Target	2019 Target	2020 Target	2021 Target
Quantity (MT) of targeted improved seeds of focus crops produced by enterprises/entities supported by AGRA	-	-	-	-	-
Quantity (MT) of fertilizer blends produced by local fertilizer producers supported by AGRA	-	-	-	-	-
Percent of households using target certified seed of improved varieties, fertilizer blends and other improved productivity technologies or management practices	-	-	-	-	-
Cubic meter of storage space developed or refurbished /rehabilitated	-	-	-	-	-
Average fertilizer use (Kg/Ha)	-	-	-	-	-
Percent of farming households using post-harvest technologies/facilities	-	-	-	-	-
Percent of target SMEs along focus value chains operating profitably	-	-	-	-	-
Percent of farmers using structured trading facilities/arrangements	-	-	-	-	-
Quantity (MT) of target crops sold through structured markets)	-	-	-	-	-
Percent target farmers using financial/risk management services of engaged institutions	-	-	-	-	-
Percent of farmers and other stakeholders accessing early warning information to use for value chain planning	-	-	-	-	-
Number of post-harvest technologies sold/distributed to farmers	-	-	-	-	-

AGRA Projected program costs for NIGERIA



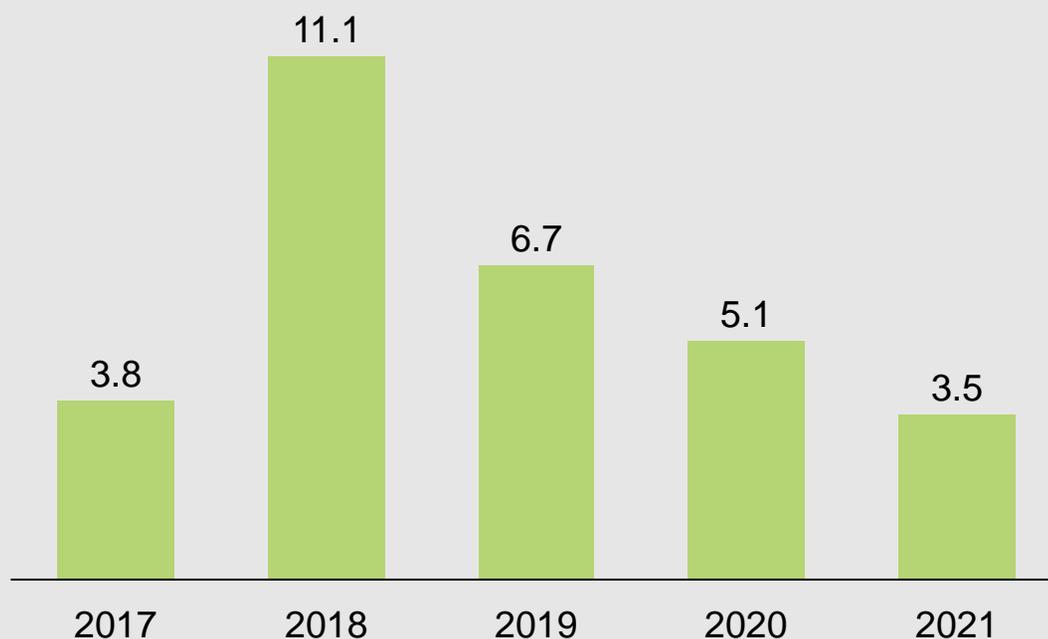
\$M

Funding areas

Nigeria year-by-year projected investments
(excl program implementation cost)



Nigeria



- Input systems devt
- Market systems devt
- Country support and policy engagement

AGRA's organizational capacity to deliver

AGRA's country office will be the frontline for delivering interventions in country



VP Country Support, Policy & Delivery

Regional Head (Nigeria)

Geographic service teams (GSTs) will lead regional and country delivery

POs and APOs will be **responsible for managing an integrated portfolio of ongoing programs, as well as new initiatives** reflecting the new organizational strategy

New initiatives will be developed on the frontlines, but draw on the expertise and existing body of knowledge within the Nairobi teams (i.e., Program Development & Innovation, Business Development and Strategic Partnerships)

Admin Assistant

Lead Country PO, Nigeria with significant country experience

2 POs / APO

GST Finance Administrator

GST M&E Officer

PO – program officer

APO – Associate Program Officer