



Investing in rural people

Federal Government of Nigeria

Livelihood Improvement Family Enterprises Project in the Niger Delta of Nigeria (LIFE-ND)

Project design report

Main report and appendices

Document Date: 1 November 2017

Project No. 2000001043

Report No:

West and Central Africa

Programme Management Department

Contents

Currency equivalents	iii
Weights and measures	iii
Abbreviations and acronyms	iv
Map of the project area	vi
Executive Summary	vii
Logical Framework	xiii
I Strategic context and rationale	1
A. Country and rural development context	1
B. Rationale	3
II Project description	5
A. Project area and target group	5
B. Development objective and impact indicators	9
C. Components and outcomes	10
D. Lessons learned and adherence to IFAD policies and the SECAP	19
III Project implementation	24
A. Approach	24
B. Organizational framework	26
C. Planning, M&E, learning and knowledge management	28
Planning	28
D. Financial management, procurement and governance	30
E. Supervision	33
F. Risk identification and mitigation	34
VI Project costs, financing, benefits and sustainability	37
A. Project costs	37
B. Project financing	38
C. Summary benefits and economic analysis	39
D. Sustainability	40

List of Figures

Figure 1: Percentage of value chain participants making at least 50 percent annual profit on their cost of production or processing

Figure 2: The incubation process in LIFE-ND

List of Tables

Table 1: Basic facts about the Niger Delta states

Table 2: Level of Risk, Challenges and Opportunities facing young males and females in the Niger Delta Region

Table 3: Enterprise outreach projections

Table 4: Key commodities and benchmark enterprise scale for support by LIFE-ND

Table 5: Programme Cost Summary by Component/Year (USD)

Table 6: Programme Cost Summary by Component/Expenditure Account (USD)

Table 7: Programme Financing Plan by Component (US\$'000)

Table 8: Programme Financing Plan by Disbursement Account (US\$'000)

Appendices

Appendix 1:	Country and rural context background	43
Appendix 2:	Poverty, targeting and gender	52
Appendix 3:	Country performance and lessons learned	60
Appendix 4:	Detailed project description	66
Appendix 5:	Institutional aspects and implementation arrangements	92
Appendix 6:	Planning, M&E and learning and knowledge management	128
Appendix 7:	Financial management and disbursement	132
Appendix 8:	Procurement	142
Appendix 9:	Project cost and financing	146
Appendix 10:	Economic and Financial Analysis	150
Appendix 11:	Draft project implementation manual	162
Appendix 12:	Compliance with IFAD policies	170
Appendix 13:	Contents of the Project Life File	172
Appendix 14:	Environmental and Climate Assessment Procedure (SECAP) Review for LIFE Niger Delta	173
Appendix 15:	Youth and women models	195
Appendix 16:	Participating state selection	199
Appendix 17:	Nutrition mainstreaming in LIFE-ND	201
Appendix 18:	Expectations of NDDC on the impact of LIFE on youth restiveness in the Niger Delta region	211

Currency equivalents

Currency Unit	=	Nigerian Niara
US\$ 1.0	=	N\$ 305

Weights and measures

1 kilogram	=	1000 g
1 000 kg	=	2.204 lb.
1 kilometre (km)	=	0.62 mile
1 metre	=	1.09 yards
1 square metre	=	10.76 square feet
1 acre	=	0.405 hectare
1 hectare	=	2.47 acres

Abbreviations and acronyms

ADP	Agricultural Development Programmes
AfDB	African Development Bank
AWPB	Annual Work Plan and Budget
BDS	Business Development Service
BoA	Bank of Agriculture
BPP	Board of Public Procurement
CADA	Commodity Apex Development Association
CASP	Climate Change Adaptation and Agribusiness Support Programme
CBO	Community-Based Organisation
CBN	Central Bank of Nigeria
CDD	Community-Driven Development
CBNRMP	Community Based Natural Resource Management Programme
CPE	Country Programme Evaluation
CSOs	Civil Society Organisations
DFID	Department for International Development
EIRR	Economic Internal Rate of Return
ESMP	Environmental and Social Management Plan
FIRR	Financial Internal Rate of Return
FGN	Federal Government of Nigeria
FO	Farmers' Organisation
FMARD	Federal Ministry of Agriculture and Rural Development
FMF	Federal Ministry of Finance
GALS	Gender Action Learning System
GHG	Greenhouse Gases
IITA	International Institution for Tropical Agriculture
IPSAS	International Public Sector Accounting Standard
KMC	Knowledge Management and Communication
LGA	Local Government Area
LGLO	Local Government Liaison Office
LIFE-ND	Livelihood Improvement Family Enterprises Project in the Niger Delta of Nigeria
M&E	Monitoring and Evaluation
MFI	Microfinance Institution
MoU	Memorandum of Understanding
MSMEDF	Micro Small and Medium Enterprise Development Fund
MTR	Mid-Term Review
N\$	Nigerian Niara
NDDC	Niger Delta Development Commission
NIRSAL	Nigerian Incentive Based Risk Sharing System for Agricultural Lending
NPSC	National Project Steering Committee

NRCRI	National Root Crop Research
O&M	Operation and Maintenance
PCO	Project Coordination Office
PEFA	Public Expenditure and Financial Accountability
PDR	Project Design Report
PCR	Project Completion Report
PPA	Public Procurement Act
PPP	Public-Private Partnership
RB-COSOP	Results-Based Country Strategic Opportunities Programme
RIMS	Results and Impact Management System
ROCC	Rural Outreach Coordination Committees
RPCO	Regional Project Coordination Office
RUFIN	Rural Finance Institution Building Project
RTSC	Regional Technical Steering Committee
SECAP	Social, Environmental and Climate Assessment Procedures
SMEDAN	Small and Medium Enterprises Development Agency of Nigeria
SPCO	State Project Coordination Office
SSC	State Steering Committee
TSC	Technical Support Committee
VCDP	Value Chain Development Project
VSCGs	Village Saving and Credit Groups
YEAP	Youth Employment in Agriculture Programme

Map of the project area

Nigeria

Livelihood Improvement Family Enterprises Project in the Niger Delta

Design report



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.
Map compiled by IFAD | 05-05-2017

Executive Summary¹

Country and rural development context

1. Nigeria, Africa's most populous country, has 42 percent of the youth and 36 percent of the women either unemployed or underemployed. The particular issue of youth underemployment in the rural areas - estimated at 23.5 percent - requires redress to alleviate poverty both now and into the future. Oil exports which account for 95 percent of export earnings and 70 percent of government revenue, have been declining since 2014 due to reduced oil production caused by falling international prices, and increasing sabotage of oil infrastructure in the Niger Delta region by restive youth. As a result of these issues and policy uncertainty, the overall GDP growth rate has steadily decreased from 6.7 percent in 2014 to negative 1.8 percent in 2016. Thus, Nigeria is in recession. This situation has posed major challenges to public finance and the ability of the government to implement some of its programmes since 2015. Agriculture which contributed 21 percent to the GDP in 2015 remains underdeveloped. Nigeria's production of food has not kept pace with population growth and the costly importation of food has resulted in rise in food prices placing pressure on the poor.
2. **Rural poverty.** Nigeria is predominantly a rural economy with over 60 percent of the population living in rural areas, 90 percent of whom are engaged in subsistence farming. Rural poverty was estimated at 44.9 percent in 2013 against an urban poverty incidence of 12.6 percent. Inadequate access to land, untitled agricultural land which limits users from investments in productivity enhancements, private sector exclusion, and lack of initial capital and reliable market outlets discourage youth and women from engaging in agriculture to improve their livelihood. Smallholder productivity is often less than 70 percent of the potential and is declining due to soil exhaustion, low uptake of technology, poor agricultural practices and low participation of private sector in extension services. Resulting from those factors, there are low production and supporting services, as well as contraction of raw material supply to industries and consequent lack of jobs. Especially, rural youth and women face limited alternative employment opportunities and weak governance which contributes to higher rural poverty.
3. **Policy and institutional framework.** Nigeria has initiated several key strategies against these formidable challenges. Since 2010, the Federal Government has recognized the need to diversify export earnings and alter its economic growth strategy. The Vision 20:20 Road Map emphasised a diversified private sector-led economy, agricultural growth, and employment creation. The development agenda of the current administration, building on Vision 20:20, is focusing on anti-corruption, economic recovery, employment creation and security. Aligned to Vision 20:20 are the agricultural sector policy, Green Alternative Roadmap for Agriculture, and the Strategic Framework for Youth Employment and Job Creation of the Federal Ministry of Agriculture and Rural Development. The Green Alternative prioritizes four pillars: food security, job creation, import substitution and economic diversification using a decentralized coordination framework, while the Strategic Framework for Youth Employment and Job Creation emphasizes youth employment in agriculture. Nigeria also has coherent policies for youth and gender inclusion, improved nutrition, and promotion of rural financial inclusion, to which the design of this project aligns.

¹ Mission composition: Ben Odoemena, Country Programme Officer, ICO IFAD, supported by Rich Pelrine, Lead Regional Economist WCA IFAD, and Tom Anyonge, Lead Adviser PTA IFAD; Other IFAD staff: Mikael Anderson, Finance and Expenditure Management Specialist; Elizabeth Ssendiwala, Targeting, Gender and Institutions Development; Amaka Odenigbo, Nutrition Mainstreaming; Steven Jonckheere, Monitoring and Evaluation; Oussama Ameziane, COSTAB; IFAD consultants: Samuel Eremie, Programme Management Specialist and Team Leader; Swandip Sinha, Financial Inclusion Specialist; Jones Lemchi, Enterprise Development/Analyst; Molokwu Christopher, Economist/EFA Specialist; Mayowa Fasona, SECAP specialist; Amath Sene Pathe, Lead Environment and Climate, WCA IFAD; Jeroen de Zeeuw, ESMF consultant; Several Government officials including: Keke Bongos-Ikwue, LIFE Desk FMARD; O.O. Oyebanji, Technology Generation, FMARD; Vera Onyeka, Innovation, KM and Communication, FMARD; Sanni Abiodun Fatai, Infrastructure Engineer, FMARD; Sugra Mahmood, Deputy Director of Extension, FMARD and Marcel Eshiohu, Programme Management, NDDC.

- 4. The Niger Delta region.** The priority agricultural commodities in the region are cassava, plantain and rice, with fish, cocoa, oil palm and poultry also featuring prominently in some states. The region's rural economy is driven by small and medium enterprises, but poor access to land, credit and reliable market outlets are a big challenge for youth and women inclusion. Farm land is fragmented and average landholding per family is less than two hectares. Though youth may have gone to school, decent jobs are not plentiful, and youth normally lack start-up capital necessary to begin enterprises. The few rural enterprises that exist show potential to create meaningful jobs and employment for youth. Absolute poverty incidence ranges from 45 to 65 percent in the Niger Delta states. Malnutrition is prevalent in the Niger Delta region with 5.3 percent acute malnutrition, 12 percent underweight children, 20 percent stunting among children under five years of age, and 4 percent acute malnutrition among women of reproductive age (15-49 years). Household level food insecurity affects 88 percent of crop farm households in the region. Rising temperatures due to climate change are projected to result in increased, higher intensity rainfall, as well as earlier rains in the Niger Delta region which could worsen soil erosion. The sea level rise as a result of rising temperature is expected to increase flooding which could negatively affect agriculture, coastal infrastructure, coastal ecosystems, and human settlements.

Rationale

- 5.** The Livelihood Improvement Family Enterprises Project for the Niger Delta (LIFE-ND) directly supports Nigeria's agricultural policy and the Strategic Framework for Youth Employment and Job Creation. This Strategic Framework addresses the large and growing number of restless unemployed youth, especially in rural areas. Nigeria's highest potential for decent job creation in agriculture is in the south, including the Niger Delta, where small agribusinesses have demonstrated remarkable success under the now concluded, IFAD-financed Community Based Natural Resource Management Programme (CBNRMP). Under CBNRMP youth engaged in agriculture based on high market demand, untapped opportunities to produce and market profitable commodities, and high private sector interest in sectoral development. The LIFE-ND project will develop the supply of skilled youth labour using the incubator model piloted by CBNRMP where successful rural agribusinesses were facilitated to mentor neighboring youth to produce greater volumes, leading to higher value enterprises and community incomes, and jobs for the youth. The project will also address the pronounced gender gap in access by women to land, productive assets, technology, finance, and markets. This design of LIFE-ND further builds on the successes of IFAD-assisted Value Chain Development Project (VCDP) that continues to create sustainable stakeholders' platforms which link rural smallholders to private off-takers; as well as, the IFAD-assisted Rural Finance Institution Building Project (RUFIN) that developed rural finance institutions and promoted local level savings to raise investment funds.
- 6.** The LIFE-ND Project Concept Note was approved alongside the 2016-2021 Results Based Country Strategic Opportunities Programme (RB-COSOP) by the IFAD Executive Board in December 2016. The goal of the RB-COSOP is "a rural economy in which the targeted population can derive prosperity and equal benefit from economic growth". This goal is supported by two strategic objectives: (i) the sustainable, climate-resilient economic and financial inclusion of young people in profitable agribusiness; and (ii) strengthened institutions at the state and community levels to work with private actors in key value chains. The RB-COSOP targets poor families, the majority of them are unemployed youth and women, living in rural and peri-urban areas. The RB-COSOP also recommended a more focused project intervention in a smaller number of states where commitment to IFAD projects is high. LIFE-ND targets the RB-COSOP's first Strategic Objective of inclusion of young people in profitable agribusiness. The project is aligned to the national LIFE programme which is being designed to cover the entire nation. LIFE-ND will leverage partnerships with other ongoing interventions for agribusiness development for youth supported by agencies, including African Development Bank (AfDB) investments (particularly the *proposed* ENABLE Youth Programme), Department for International Development (DFID) and International Institute of Tropical Agriculture (IITA) youth in agriculture project. The LIFE-ND serves as a flexible framework for the implementation of the national LIFE Programme in the remaining 30 States of Nigeria following the request of the FMARD.

Project area and target group

7. LIFE-ND will be implemented in the nine Niger Delta states (Abia, Akwa Ibom, Bayelsa, Cross River, Delta, Edo, Imo, Ondo and Rivers), as with the predecessor CBNRMP, but IFAD financing will focus on six of the states in line with the recommendations of the 2015 Country Programme Evaluation (CPE). The CPE noted that the attempt to cover many states under one project was inefficient, diluted quality of outreach within each state, and compromised results. The Niger Delta Development Commission (NDDC) which has a mandate for the development of the region, and had co-financed the predecessor IFAD-assisted CBNRMP, is partnering with IFAD and the Federal Government to finance the implementation of LIFE-ND in the remaining three states. The selection criteria for the six states for IFAD financing included: (i) clear focus on poverty, community development and smallholder agriculture; and (ii) demonstrated commitment and political will (as expressed in the level of participation in the former CBNRMP) to support a joint programme with IFAD (see Appendix 16 for details). On the basis of these criteria the government participants in IFAD's Design mission recommended for IFAD financing to cover Abia, Bayelsa, Cross River, Delta, Edo and Ondo states. In each state, LIFE-ND will cover 10 Local Government Areas (LGAs) and 10 communities per LGA based on defined criteria. Overall, the project will work in 60 LGAs and 600 communities across the six states. Consideration will be given to high performing states for adding two LGAs during the Midterm Review (MTR) of the project.
8. **Target group.** LIFE-ND will be implemented in the Niger Delta Region covering the nine states. In the six states covered by IFAD, LIFE-ND will primarily target 25,500 youth and women beneficiaries as Apprentices that will come out of the Incubation System with their own profitable enterprises and decent jobs, and eventually serve as Incubators themselves. It will also target about 600 established and potential enterprise Incubators as a pathway for job creation and economic empowerment of the beneficiaries. The beneficiaries will be youth aged 18 to 35 years and women headed households with children under the age of 15. Overall, the project will target 50 percent male and 50 percent female participation. The beneficiaries will be selected at the village level based on the criteria highlighted in Box 1 in the main text, while Incubators will be identified on the basis of their involvement in market linkage activities; adoption of out-grower model; experience in the incubation of new enterprises; and technical, financial, managerial and infrastructure capacity to provide enterprise incubation services to apprentices.
9. **Gender targeting.** Given that women have relatively poor access to land, inputs, and agricultural credit to improve their production, productivity, income and livelihood; LIFE-ND will facilitate their grouping into enterprise clusters to leverage services from input suppliers and organized produce buyers. LIFE-ND targeting strategy will include: (i) promotion of enterprises responsive to women's livelihoods such as production, processing and marketing of vegetables, fish, poultry, and honey, for income, household food security and nutrition; (ii) time, venue and environment friendly events for women's participation; (iii) self-targeting of women's only groups; (iv) provision of at least 50 percent of leadership positions for women in commodity associations, and 30 percent of women in the project management team; and, (v) promotion of the use of Gender Action Learning System (GALS).

Development objective and impact indicators

10. The **overall goal** of LIFE-ND is to realize a *transformed rural economy in which the rural population can derive prosperity and equal benefit*. The **project development objective** is to *enhance income, food security and job creation for rural youth and women through agri-enterprise development on a sustainable basis in the Niger Delta region of Nigeria*. The achievement of the project objective at the end of the project life will be measured by the following indicators: (i) at least 25,500 direct beneficiaries of youth and women agri-enterprises directly strengthened or created resulting in profitable agribusiness and related paid services providing stable income for enhanced food security and sustainable livelihood; (ii) 50 percent increase in volume of produce by direct beneficiaries; (iii) 50 percent increase in volume of marketed produce by direct beneficiaries; (iv) 25 percent value addition is realized through processed produce/products; (v) 50 percent increase in profit is realized by direct beneficiaries engaged in agri-enterprises; (vi) 80 percent of direct beneficiaries (20,400) have increased their food security; (vii) 80 percent of direct beneficiaries (20,400) have increased their assets by at least 50 percent; (viii) 50 percent of rural institutions promoting youth-based profitable agri-enterprises supported

and strengthened; (ix) 80 percent of direct beneficiaries (20,400) practicing improved product handling and marketing practices; (x) beneficiaries able to access to at least 30,000 ha of land for agribusiness; and (xi) 10,000 beneficiaries are using improved technologies.

Components and outcomes

11. The table below summarises the expected outcomes from the two components of LIFE-ND.

Component	Outcome
1. Enhancement of economic opportunities for rural youth and women	<ul style="list-style-type: none"> • Market driven rural business incubators are strengthened • Production, productivity and marketing of agro-entrepreneurs are improved through public-private producer partnership (PPP) models • Market participation and profitability of beneficiaries enhanced through sustainable enterprises, improved market infrastructure, access to financial services, access to land as well as use of improved technologies • Increased ease of beneficiaries doing agribusiness
2. Project management and coordination	<ul style="list-style-type: none"> • Efficiently and effectively managed project achieving results with communication and knowledge management integrated in all aspects of operations

12. **Component 1: Enhancement of economic opportunities for rural youth and women** aims at facilitating the establishment of profitable agribusiness by beneficiaries. It is supported by four mutually reinforcing subcomponents.

13. *Subcomponent 1.1: Support to rural agribusiness incubation* will generate about 25,500 agri-enterprises through the incubation system.

14. *Subcomponent 1.2: Support to rural agribusiness production and marketing infrastructure* will support the demand-driven development of about 30,000 ha of land, a variety of production and processing facilities, and the construction of farm roads and bridges to facilitate market access.

15. *Subcomponent 1.3: Promotion of financial services for rural agribusiness* will support enterprise development through: (i) savings promotion, (ii) payment systems and (iii) cashless credit in off-taker pre-financing arrangements. Other systems currently under development including Bank of Agriculture's credit facility and the Nigeria Insurance Risk-based Agricultural Lending Micro Small and Medium Enterprise Development Fund will be reviewed, based on their effectiveness for possible inclusion in LIFE-ND during midterm review.

16. *Subcomponent 1.4: Institutional strengthening and knowledge management* will support capacity building of rural institutions, including the Commodity Apex Development Associations (CADA) of the CBNRMP and technical assistance to the state level Agriculture Development Projects (ADPs) for inclusive pluralistic extension delivery services, up-scaling of the commodity alliance forum of the VCDP, support to stakeholders and CSOs to effectively monitor LIFE activities.

Project implementation

17. The FMARD is the lead implementation agency while NDDC is an implementing partner to the FMARD. There will be four tiers of management coordination: (i) National Level Project Coordination Office that serves as liaison to FMARD's Project Coordination Unit located in Abuja; (ii) Regional Project Coordination Office (RPCO) located in Port Harcourt and responsible for the overall management, coordination and supervision of LIFE-ND activities for the Niger Delta Region; (iii) State Project Coordination Offices (SPCO), located in each participating state and responsible for coordination and supervision of LIFE-ND activities in the respective states; (iv) Local Government Liaison Offices (LGLO) located in the participating LGAs and responsible for facilitation of community involvement, data collection and dissemination to the state and regional offices. On behalf of the Federal Government, the project will receive oversight and guidance

from the National Project Steering Committee (NPSC) under the facilitation of the National LIFE Programme. At the Regional Level, there will be the Regional Technical Steering Committee (RTSC) to clear the Annual Work Programme and Budget (AWPB). At the state level, there will be a State Steering Committee (SSC) to provide oversight on behalf of the state government and to clear State AWPBs.

18. Actual implementation of the LIFE-ND activities at the field/community level will be by the private sector through competitive engagement. The Local Government Liaison Office will be deeply involved in sensitization and mobilization of youth and women in the project. The officers in the region are designated as Coordinators while those in the states are designated Officers. Their counterparts at the local government level are called Liaison Officers. Two-phased implementation is envisaged: First phase will run from one to three years with 25 incubators/established enterprises per state, while the second phase will run from four years to six years with additional 75 Incubators per state building on the experiences of the first phase (making it 100 Incubators per state). Beneficiaries will be identified through a call for expression of interest, which will be screened by a committee to be managed by competitively engaged service providers in partnership with locally-trusted NGOs.

Project costs and financing

19. LIFE-ND is planned with a financing gap of six years. Thus the programme has both a first phase (covered by the targets set out in this document) of six years, with parallel finance from NDDC in three additional Niger Delta state, and then an additional six years to be financed in the future by other partners and/or an additional IFAD loan. Total programme costs to be incurred during the 12-year implementation period, including price and physical contingencies, duties and taxes, are estimated at US\$ 130.015 million. Base costs amount to US\$ 121.747 million. Estimated physical contingencies amount to US\$ 1.805 million; price contingencies are estimated at US\$ 6.463 million. The estimated foreign exchange element of project costs is US\$ 19.795 million representing approximately 15 per cent of total project costs. Duties and taxes are equivalent to US\$ 3.057 million (two per cent of total project costs). Investment costs US\$ 111.587 million - account for 86 per cent of base costs; total recurrent costs are estimated at US\$ 10.161 million. Programme coordination and Management (*Component 2*) costs amount to US\$ 21.508 million, representing 16 per cent of total project costs.
20. The IFAD loan will finance civil works, vehicles, equipment and materials, technical assistance, training, studies and workshops and part of operating costs. The loan will co-finance production and processing equipment/inputs with beneficiaries in the form of a seed capital arrangement. The IFAD loan will not finance any taxes and duties. IFAD will provide a liaison staff to strengthen the National System of the LIFE Programme and integrate the achievement of LIFE-ND in the national system under Component 2. The Federal and State Finance will cover overhead costs including salaries of directly engaged staff, office accommodation at the state level, as well as, taxes and utilities.

Federal Republic of Nigeria
 Livelihood Improvement Family Enterprises in the Niger Delta (LIFE-ND)
Components by Financiers
 (US\$ '000)

	IFAD Loan 1		IFAD Loan 2		NDDC		Federal Government		State Governments		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
A. Component 1: Enhancement of economic opportunities for rural youth												
1. Sub-Component 1.1: Support to Rural Agribusiness Incubation	27 874	50.5	14 339	26.0	12 496	22.6	522	0.9	-	-	55 230	42.5
2. Sub-Component 1.2: Production and marketing infrastructure support to agribusinesses	17 201	41.6	9 686	23.4	10 462	25.3	1 544	3.7	2 458	5.9	41 351	31.8
3. Sub-Component 1.3: Financial inclusion support for agri-enterprises	2 526	43.9	1 422	24.7	1 594	27.7	208	3.6	-	-	5 750	4.4
4. Sub-Component 1.4: Rural Institution Strengthening	2 784	45.1	1 569	25.4	1 594	25.8	229	3.7	-	-	6 176	4.8
Subtotal	50 384	46.4	27 016	24.9	26 146	24.1	2 503	2.3	2 458	2.3	108 507	83.5
B. Component 2: Project management and coordination	9 616	44.7	5 066	23.6	3 854	17.9	553	2.6	2 419	11.2	21 508	16.5
Total PROJECT COSTS	60 000	46.1	32 081	24.7	30 000	23.1	3 057	2.4	4 877	3.8	130 015	100.0

Summary benefits and economic analysis

21. Over the six years of implementation, LIFE-ND is expected to generate the following quantifiable benefits: (i) at least 25,500 enterprises representing 25,500 new paid jobs; (ii) projected annual incomes accruing to the beneficiaries ranging from US\$ 527 (N\$ 160,700) for cassava production to US\$ 6,669 (N\$ 2,034,060) for oil palm production; and (iii) yield increments ranging from 30 percent per processor for rice milling to 60 percent for cassava tubers processing. Other benefits expected from the project include a more inclusive rural economy, improved food security, more environmentally-friendly and climate-smart agricultural production methods, import substitution

and conservation of scarce foreign exchange, tax revenues to government, market levies and payments on produce, increased revenues for input and equipment suppliers, and reduced youth delinquency.

22. The estimated overall financial Internal Rate of Return (FIRR) for the LIFE project is 43%; with a NPV of NGN 53,646,174,700 or USD 175,889,100; and incremental net benefit of NGN 15,148,983,800 or USD 49,668.800, assuming an opportunity cost of capital of 14%. The estimated overall Economic Internal Rate of Return (EIRR) for the LIFE project is 35%; with a NPV of NGN 31,758,741,400; or USD 104,120,000; and incremental net benefit of NGN 13,089,456,900 or USD 42,916,300, assuming an opportunity cost of capital of 14%.
23. Sensitivity tests indicate that the estimated EIRR for the LIFE project is stable given a variety of assumptions. Enterprise models are sensitive to changes in the output price, investment and operating costs. A 10% drop in the output prices reduces the project EIRR to 25%, and a 10% increase in investment cost reduces the project EIRR to 30%. Finally, a 10% increase in operating costs reduces the project EIRR to 29%.

Sustainability

24. Sustainability of LIFE-ND is facilitated, among others, through: (i) existing institutional framework of the FMARD, the lead implementing agency, the NDDC's Directorate of Agriculture (co-implementing agency), state ministries of agriculture and their Agricultural Development Projects (ADPs), the youth agribusiness network (beneficiary organization), commodity apex organizations; (ii) PPP arrangement to enhance market participation of beneficiaries; (iii) linkage with service markets (input dealers, financial institutions, produce off-takers, equipment fabricators, NGOs and CSOs); (iv) emphasis on profitable enterprises; and (v) addressing issues affecting social inclusion, environment and climate change.

Logical Framework

Narrative Summary	Performance Indicators (where applicable all data will be disaggregated by gender and age status as applicable)	Baseline	Targets		Means of Verification (MoV)	Frequency of Verification	Responsibility	Assumptions
			Mid-Term (Y3)	End of Project				
OUTREACH								
	Number of households benefiting from services supported of facilitated by the project	-	7 500	26 100	Progress Reports Impact Assessment Studies	Annually	PCOs FMARD	<ul style="list-style-type: none"> • Project Implementation is not delayed • Effective M&E system is in place
GOAL								
Transformation of the rural economy in which all the rural population can derive prosperity and equal benefit	Percent reduction in rural households living below the poverty line in the targeted village areas	Baseline Data	-	50%	Progress Reports Impact Assessment Studies National Statistics	End of Project	PCOs FMARD	<ul style="list-style-type: none"> • Militancy allows implementation • Up to 600 incubation centres are established and willing to mentor apprentices • Youth are willing to effectively participate in LIFE • Institutions are strengthened • Government policy supports land acquisition, feeder roads, and private sector inclusion
	Improved household assets ownership index (CI)	Baseline Data	-	20%	Progress Reports Impact Assessment Studies National Statistics	End of Project	PCOs FMARD	
DEVELOPMENT OBJECTIVE								
Income, food security and job creation for rural youth and women through agri-enterprise development are enhanced on a sustainable basis.	Reduction in the number of households experiencing food insecurity in participating village areas	Baseline Data	-	60%	Progress Reports Impact Assessment Studies National Statistics	End of Project	PCOs FMARD	
OUTCOMES								
Subcomponent 1.1: Support to Rural Agribusiness Incubation								
Outcome 1: Establishment of Sustainable Economic Enterprises	Percentage of supported enterprises operating profitably after two production cycles of	N/A	85%	85%	Progress Reports	Annually	PCOs	<ul style="list-style-type: none"> • Implementing agencies have adequate capacity • Suitable enterprises to

Narrative Summary	Performance Indicators (where applicable all data will be disaggregated by gender and age status as applicable)	Baseline	Targets		Means of Verification (MoV)	Frequency of Verification	Responsibility	Assumptions
			Mid-Term (Y3)	End of Project				
	operation							serve as incubators are available in the project area
	Number of new jobs created (CI)	N/A	7 500	25 500	Progress Reports	Annually	PCOs	<ul style="list-style-type: none"> • Training is demand driven
Subcomponent 1.2: Production and Marketing Infrastructure Support to Agribusinesses								
Outcome 2: Agribusiness-driven infrastructure for improved access to market and sustainably managed by beneficiaries is realized	Percentage of households reporting improved physical access to markets, processing and storage facilities (CI)	N/A	85%	85%	Progress Reports	Annually	PCOs	<ul style="list-style-type: none"> • Bulk lands are available and owners are willing to lease them to the youth • Adequate Operation and Maintenance of infrastructure is ensured by users
Subcomponent 1.3: Financial Inclusion Support for Agri-Enterprises								
Outcome 3: Enhanced access to financial services for beneficiaries and their organizations	Amount of credit leveraged for supported agribusinesses	N/A	-	US\$ 2 M	Progress Reports	Annually	PCOs	<ul style="list-style-type: none"> • Availability of financial service providers in the target locations • Banks, willing to lend at affordable cost to beneficiaries
	Percentage of persons supported by the project reporting using financial services (CI)	N/A	85%	85%	Progress Reports	Annually	PCOs	
Subcomponent 1.4: Rural Institution Strengthening								
Outcome 4: Rural institutions are able to identify and address infrastructure, policy and regulatory challenges	Number of existing/new laws, regulations policies or strategies proposed to policy makers for approval, ratification or amendment (CI)	N/A	-	6	Progress Reports	Annually	PCOs	<ul style="list-style-type: none"> • State policy on agriculture and extension is reviewed to incorporate private section inclusion and • ADPs are open to change
OUTPUTS								
Subcomponent 1.1: Support to Rural Agribusiness Incubation								
Output 1.1 : Rural Agribusiness Incubation networked and supported	Number of rural enterprises accessing business development services (CI)	N/A	7 500	25 500	Progress Reports	Annually	PCOs	

Narrative Summary	Performance Indicators (where applicable all data will be disaggregated by gender and age status as applicable)	Baseline	Targets		Means of Verification (MoV)	Frequency of Verification	Responsibility	Assumptions
			Mid-Term (Y3)	End of Project				
	Number of people trained in Income Generating Activities (CI)	N/A	7 500	25 500	Progress Reports	Annually	PCOs	
	Number of rural producers accessing production inputs and/or technological packages (CI)	N/A	7 500	25 500	Progress Reports	Annually	PCOs	
Subcomponent 1.2: Production and Marketing Infrastructure Support to Agribusinesses								
Output 1.2a: Establishment and improvement of feeder roads	Number kilometers of road constructed, rehabilitated or upgraded (CI)	N/A	60	180	Progress Reports	Annually	PCOs	
Output 1.2b: Land development for Agricultural Production	Number of hectares of land developed for agricultural production	N/A	6 000	30 000	Progress Reports	Annually	PCOs	
Output 1.2c: Establishment/Provision of production and processing facilities	Number of market, processing or storage facilities constructed or rehabilitated (CI)	N/A	60	120	Progress Reports	Annually	PCOs	
Subcomponent 1.3: Financial Inclusion Support for Agri-Enterprises								
Output 1.3a: Increased Savings and internal capital accumulation among individuals and groups in the project area	Number of persons in rural areas trained in financial literacy and/or use of financial products and services (CI)	N/A	7 500	25 500	Progress Reports	Annually	PCOs	
Subcomponent 1.4: Rural Institution Strengthening								
Output 1.4a: Capacity Building of Rural Institutions.	Number of Rural Institutions supported by the project (CI)	N/A	300	600	Progress Reports	Annually	PCOs	
Output 1.4b: Platforms for policy dialogue established	Number of functioning multi-stakeholder platforms supported (CI)	N/A	3	6	Progress Reports	Annually	PCOs	

I. Strategic context and rationale

A. Country and rural development context

1. With 182 million people, Nigeria is Africa's most populous country. Nigeria's population grows at 3 percent per year² which effectively doubles the country's population each 23 years and results in a large youth population (59 percent of the population is under 35). Women comprise 49.5 percent of the total population. Nigeria ranked 152 out of 188 countries in the Human Development Index (HDI) in 2015³. About 42 percent of youth and 36 percent of women were either unemployed or underemployed⁴. Since 2005, over 20 million youth entered the country's labour market, and youth unemployment which rose to 56 percent by 2011 remains critical. The particular issue of underemployment of youth in rural areas - estimated at 23.5 percent - requires redress to alleviate poverty and prevent conflict both now and into the future.
2. Nigeria is Africa's largest exporter of oil, and this sector accounts for 95 percent of export earnings and 70 percent of government revenue. Since 2014 oil production has declined 40 percent following falling international prices, and increasing sabotage of oil infrastructure in the Niger Delta by restive youth which has further reduced oil's contribution to the economy⁵. As a result of these issues and policy uncertainty, the overall GDP growth rate has steadily decreased from 6.7 percent in 2014 to negative 1.8 percent in 2016. Thus, Nigeria is in recession. This situation has posed major challenges to the country's trade balance, public finance at all levels of government, and the ability of the government to implement some of its programmes since 2015. Nigeria's GDP is, nonetheless, the largest in Africa and from 2014 Nigeria has been categorized as a Middle Income Country. Nigeria has strong telecommunications, real estate, manufacturing, construction and entertainment sectors.
3. Agriculture contributed 21 percent to the GDP in 2015⁶, but remains underdeveloped. Nigeria's production of food has not kept pace with population growth and the nation has met this gap with food importation. The current recession and decline in terms of trade has resulted in a rise of food prices placing pressure on the nation's poor.
4. Nigeria is predominantly a rural economy with over 60 percent of the population living in rural areas. As estimated in 2013, rural poverty was 44.9 percent while the urban poverty rate was 12.6 percent⁷. Agriculture is the livelihood of 90 percent of rural people, most of whom are subsistence smallholder farmers. Only 46 percent of the arable land is cultivated. Investments in productivity enhancements are constrained because approximately 95 percent of the agricultural land is untitled, limiting users from accessing finance or investing in improvements. Inadequate access to land and land tenure insecurity, private sector exclusion, lack of initial capital and reliable market outlets feed a perception of agriculture as a poverty activity. This perception discourages youth and women from engaging in agriculture to improve their livelihood⁸. This perception is further based on a reality where smallholder productivity is often less than 70 percent of the potential and declining due to low uptake of technology, poor

² World Bank, World Development Indicators data, 2015

³ The country's HDI of 0.527 is only just above the average for Sub-Saharan Africa. However, when the value is discounted for inequality, the HDI falls below the Sub-Saharan average (0.328 compared to 0.355) (UNDP Human Development Report, 2016).

⁴ National Bureau of Statistics, Unemployment/Underemployment Watch Q1 2016, May 2016

⁵ World Bank, Nigeria Economic Report, November 2015

⁶ World Bank, World Development Indicators data, 2015

⁷ IFAD, Nigeria Country Programme Evaluation, 2015

⁸ The FGN and the National Assembly are currently pursuing the amendment of the Land Use Act (1978) to improve on the thorny issue of land ownership and insecurity for the generality of smallholder farmers/producers, especially aimed at enhancing their land transactions, mortgages/sub-leases and use of land as collateral for loans.

- agricultural practices, overgrazing and deforestation. Disease, particularly HIV/AIDS, tuberculosis and malaria also exacerbate rural productivity.
5. Beyond agricultural production, rural youth and women also face limited alternative employment opportunities. Weak governance contributes to higher rural poverty, notably in terms of inefficient local administration, corruption and inadequate involvement of the poorer segment of the society in political and resource allocation processes.
 6. Against these formidable challenges, Nigeria has initiated several key strategies. Overall, the Federal Government has since 2010 recognized the need to diversify export earnings and alter its economic growth strategy. The Vision 20:20 Road Map which emphasised a private sector-led economy, diversification of the economy, agricultural growth and employment creation, clearly outlined the strategy and actions for implementing comprehensive power sector reforms to expand supply, open the door to private investment and address some of the chronic sector issues hampering improvement of service delivery. The development agenda of the current administration, building on Vision 20:20, is focusing on anti-corruption, economic recovery, employment creation and security. The government recently responded to the current recession and ailing economy with a focused economic recovery plan, which re-emphasised agricultural transformation following the value chain and private sector participation pathway.
 7. Aligned to Vision 20:20 and explicitly relevant to this Project Design Report (PDR) are the Green Alternative Roadmap for Agriculture and the Strategic Framework for Youth Employment and Job Creation in Nigeria. The Green Alternative prioritizes four pillars: food security, job creation, import substitution and economic diversification. Effectively, the policy seeks to commercialize existing diverse agriculture and to create rural jobs. It foresees decentralization of agricultural development authority from federal to state level with the Federal Ministry of Agriculture and Rural Development (FMARD) engaging in coordination and quality control with projects meant to be implemented by state and local administrations. The Strategic Framework for Youth Employment and Job Creation emphasizes that the greatest opportunity for youth employment is found in agriculture and particularly in southern Nigeria - including the Niger Delta⁹. Employment creation should be driven by opportunities for food production, import substitution and cash commodity exports. Beyond these strategies, Nigeria has extensive and coherent policies for youth and gender inclusion, improved nutrition, promotion of rural financial inclusion and others. This document firmly aligns to these strategies and policies.
 8. In preparing for the design of this project, the Niger Delta Development Commission (NDDC) kindly sponsored baseline research to identify high priority crops to be supported in the Niger Delta. The research was technically assisted by IFAD. The research sampled the various value chain actors from input supply through processing in four representative states to prioritize investments on a commodity basis. Commodities were rated on the basis of the greatest potential for sustainably increasing market share and returning a relatively good income to rural youth and women. As such, production and other activities that yielded a minimum net income of US\$ 5 daily and a minimum return on cost of 50 percent per annum (demonstrating capacity to support financing on current terms) were considered viable. Overall, in the Niger Delta, the priorities are broadly cassava, plantain and rice. In specific states cocoa, fish, oil palm and poultry also figure prominently.
 9. Several key aspects define rural poverty in the Niger Delta that this project design has taken into careful consideration. Rural poverty incidence varies according to the education and gender of the household head, size of the family as well as the extent of youth and women involvement in agribusiness. Larger households (with 20 or more persons) headed by persons with little or no formal education tend to have the highest poverty incidence, depth and severity. Farmers are fragmented and average landholding per family is less than two hectares. The majority of the rural poor are youth and women. Culturally, youth and women are unable to

⁹ Office of the Vice President, Federal Republic of Nigeria, March 2016.

access land and agricultural water, while only a few are able to access production credit. Farmers are not connected to institutional markets or reliable market outlets leading to postharvest losses of over 40 percent of their produce. Few value addition enterprises exist to create meaningful jobs and employment for youth and women.

10. With specific reference to women and inequality in gender relations, access to land is extremely difficult and culturally defined. Women usually obtain user-rights on a small portion of land through their husbands and other male relatives. Over 80 percent of women in rural areas make a living from small-scale agricultural enterprises.
11. Malnutrition in its different forms is prevalent in the Niger Delta region. The south-south zone of Nigeria, comprising of six states in the Niger Delta, had 5.3 percent of acute malnutrition, 12.3 percent underweight and 20 percent stunting (chronic malnutrition) among children under five years of age¹⁰. Among the women of reproductive age (15-49 years), acute malnutrition prevalence was reported at 4.1 percent. These malnourished women and adolescent girls face giving birth to stunted children, increased susceptibility to infections, slow recovery from illness, and a heightened risk of adverse pregnancy outcomes. Household level food insecurity affects 87.8 percent of crop farm households in the Niger Delta while 12.2 percent are marginally food secure. Only 33.2 percent of children (6-23 months) are fed appropriately based on the minimum dietary diversity. Any intervention in agriculture in the Niger Delta needs to prioritize nutrition training and awareness campaign to contribute to the consumption of diverse, safe nutritious food.
12. Temperatures in Nigeria have been on the increase in the last five decades. Future projections suggest an increasing temperature and therefore a warmer climate. Ongoing trends and future projections further suggest increased rainfall, earlier rains and higher intensity rain in the Niger Delta, while the rest of the country may experience a decline in rainfall. The negative impacts of flooding are expected to increase due to sea level rise adversely affecting agriculture, coastal infrastructure, human health, coastal ecosystems, human settlements and the economy. The expected heavy rainfall events will worsen soil erosion that is already having catastrophic consequences such as increase in the number of reported severe landslides and floods. The coastline that already experiences sea surges and tidal waves is expected to be adversely affected by accelerated sea level rise, anticipated to be 0.5 – 1.0m this century. About 35 to 75 percent of the highly-productive delta could be lost based on this projected rise in sea level¹¹. Increases in frequencies of floods, droughts, accelerated erosion, which adversely impacts wetlands and mangroves and sea water intrusion into freshwater resources puts further strain on limited resources and the livelihoods of populations in low-lying coastal zones.
13. Adaptation strategies to increase the resilience of coastal communities beyond physical infrastructure investments include: afforestation efforts in mangrove forests, introducing salt-tolerant crops and fish species and early warning systems for floods. However, further focus is required on diversifying livelihoods; adopting drought-tolerant and early maturing varieties of crops; efficient weather forecasting; re-vegetating degraded areas; expanding and optimizing irrigation infrastructures; sustainable land management; and increasing as well as upgrading storage facilities. Investments in the southern regions should incorporate measures to address floods and minimise their potential negative impacts particularly with regards to livelihoods and infrastructure.

B. Rationale

14. LIFE-ND's Project Concept Note was approved alongside the Nigeria Results-Based Country Strategic Opportunities Programme (RB-COSOP) by the IFAD Executive Board in December 2016. It directly supports Nigeria's Green Alternative Roadmap for Agriculture and the Strategic

¹⁰ National Nutrition and Health Survey (NNHS) 2015. The Nutrition and Health Situation in Nigeria November 2015

¹¹ Nigeria, Intended Nationally Determined Contribution (INDC), 2015

Framework for Youth Employment and Job Creation in Nigeria¹². Government's strategies are motivated by the waste of potential combined with the growing restlessness of an estimated 22 million unemployed youth—and particularly those in rural areas. There is a network of migrant returnees who need economic opportunities to improve their livelihood. Further, this unused, economically excluded, frustrated supply of young labour exists in the face of enormous demand defined by the reality that Nigeria's agricultural output is a fraction of its potential while the country faces increasing food import costs. Nigeria's highest potential for job creation in agriculture is in the south - including the Niger Delta - where land is available, small agribusinesses have demonstrated remarkable success under the IFAD funded Community Based Natural Resource Management Programme (CBNRMP), and market demand for agricultural commodities is high. The LIFE-ND will develop the supply of youth and women skilled labour to match the existing demand for agricultural commodities in the Niger Delta and beyond. LIFE-ND will further prioritize female youth based on the broader rationale that in the rural areas of the Niger Delta, there is a pronounced gender gap in access to land, productive assets, technology, finance, and markets, which to date are mediated by the male members of the household.

15. The recently concluded Community Based Natural Resource Management Programme (CBNRMP) piloted an *Incubator Model* where successful rural agribusinesses producing and trading in commodities - for which markets were obvious and demand was high - were facilitated to mentor neighboring youth to produce greater volumes leading to higher enterprise and community incomes. As noted above, based on this successful model, the NDDC funded a baseline survey in early 2017 to identify potential commodities that - once targeted with the Incubator Model - could employ large numbers of youth and poor women. The priority Niger Delta wide commodities are cassava, plantain and rice. In specific states cocoa, fish, oil palm and poultry also figure prominently. Based on the Federal Government's strategies in combination with the CBNRMP's Incubator Model; NDDC's baseline results, confidence in the Incubator Model and estimated US\$ 30 million in parallel finance to IFAD's estimated US\$ 60 million; this design is similarly confident that this is a correct approach for the circumstances.
16. LIFE-ND builds on successes and lessons from the Rural Financial Institutions Building Programme (RUFIN) and the Value Chain Development Programme (VCDP). Specifically, LIFE-ND applies RUFIN's successful logic and tools of promoting local level savings to capitalize rural communities once income is earned. LIFE-ND also benefits from the superb experience and methods from VCDP of linking clusters of rural smallholders to sophisticated private off-takers in a mutually beneficial and durable business relationship—including transfer of technology, access to markets and setting of standards—as has been done with Olam International and others.
17. LIFE-ND targets the COSOP strategic objective of “sustainable, climate-resilient, economic and financial inclusion of young people (and women) in profitable agribusiness”. The goal of LIFE is a transformed and prosperous rural economy. The major objective of LIFE-ND is increased income and employment for rural youth and women; the secondary objective is import substitution through profitable agribusiness for youth and women. LIFE-ND's approach further integrates lessons learned from other agribusiness development interventions including: (i) targeting based on commodity opportunities versus simple geographical targeting criteria of poverty incidence, social conflict, environmental degradation and climate change which in previous projects sometimes failed to ensure high performance; (ii) focussing IFAD support to fewer but better-performing states, since the low counterpart fund contributions (and low

¹² Beyond LIFE-ND the 2016-2021 RB-COSOP approved an additional financing to the Value Chain Development Programme (VCDP) in the northern and middle zones. Complementing these investments is the Climate Change Adaptation and Agribusiness Support Programme (CASP) which is currently being implemented in the north. Thus the three investments are in line with IFAD country strategy for a balanced portfolio among Nigeria's geographical zones.

perceived ownership of the investments) by some states and Local Government Authorities (LGAs) hampered implementation in previous projects. States to be supported have been selected using criteria that include tangible commitment and political will to support joint programmes for community development and smallholder agribusiness. LIFE-ND will also build on IFAD's efforts toward gender equity and includes gender responsive activities/enterprises, promotion of joint decision-making at the village and household levels, use of the Gender Action Learning System (GALS), and targets at least 50 percent of leadership positions in enterprise and farmer groups to be held by women.

18. LIFE-ND aligns to the planned FMARD Nigeria LIFE programme which is meant to target the entire nation. LIFE-ND will also leverage partnerships with other ongoing agribusiness for youth development interventions supported by agencies including the African Development Bank (AfDB) investments (particularly the *proposed* ENABLE Youth Programme), Department for International Development (DFID) and International Institute of Tropical Agriculture (IITA).

II. Project description

A. Project area and target group

19. LIFE-ND will be implemented in the nine Niger Delta states (Abia, Akwa Ibom, Bayelsa, Cross River, Delta, Edo, Imo, Ondo and Rivers), as with the predecessor CBNRMP, but IFAD support will be focussed on six of the nine states in line with the recommendations of the 2015 Country Programme Evaluation (CPE)¹³. The CPE had noted that the attempt to cover many states under one project was inefficient, diluted quality of outreach, and compromised results. CBNRMP targeted only a few Local Government Areas (LGAs) and communities in each of the nine Niger Delta states. Due to long distances between participating LGAs, high overhead costs—up to 20 percent of project cost—were incurred in coordinating and monitoring project activities. By limiting IFAD loan proceeds to six states, the LIFE-ND can attain greater statewide outreach for better results. The NDDC which has a mandate for the development of the entire Niger Delta region is partnering with IFAD and the Federal Government to finance the implementation of LIFE-ND in the remaining three states.
20. During the first design mission, the team from Nigeria's government applied agreed criteria to select the six states for IFAD financing. The criteria are: (i) clear focus on poverty, community development and smallholder agriculture; and (ii) demonstrated commitment and political will—as demonstrated by the level of participation in the former CBNRMP—to support a joint programme with IFAD. On the basis of the above criteria, IFAD financing will cover, Abia, Bayelsa, Cross River, Delta, Edo and Ondo states (see Appendix 16 for further detail). NDDC financing will cover Akwa Ibom, Imo and River states. In each state, LIFE-ND will cover 10 LGAs and 10 communities per LGA based on the: (i) dominance of the priority commodities; (ii) willingness of community youth and women to participate in the project; (iii) poverty level; (iv) availability of an active youth in agriculture group; and (v) presence of strong agri-enterprises who will act as agribusiness incubator for the LIFE-ND. Accordingly, the project will work in 60 LGAs and 600 communities across the six states. Consideration will be given to high performing states for additional two LGAs during the midterm review (MTR) of the project.
21. The Niger Delta region with an estimated population of 36.5 million in 2011¹⁴ cover 110,624 km², or about 12 percent of Nigeria's total area. The region has the largest deposit of oil and gas minerals on which the country's economy depends. Table 1 provides some basic data on the Niger Delta states. Beyond mineral resources, the delta also has the largest concentration of rain forest, aquatic resources and biodiversity in Nigeria and is a major producer of roots and tubers, bananas, vegetables, maize and tree crops such as cocoa, oil palm, nuts and fruits. However, despite the abundant resources, the region is underdeveloped, insecure and fragile.

¹³ IFAD, Nigeria Country Programme Evaluation, 2015

¹⁴ National Bureau of Statistics: Annual Abstracts of Statistics, 2012. Available at <http://www.nigerianstat.gov.ng/library>

Youth restiveness has increased since 2015, in the form of social conflict, kidnapping for ransom, rape, armed robbery and other social vices. It is widely accepted that this increase is due to lack of jobs and decent means of livelihood for youth, caused mainly by exclusion and poor governance, but exacerbated by low productivity and environmental degradation from the oil exploitation activities.

Table 1: Basic facts about the Niger Delta states

State	No. of LGAs	Land area (km ²)	Population (projected 2011)*			Unemployment rate (%)*		Poverty rate (%)	
			No. (million)	Of which women (%)	Density (per km ²)	2007	2011	Food	Absolute (Income)
Abia	17	4,900	3.257	50.4	664.6	25.1	11.2	30.5	57.4
Akwa Ibom	31	6,900	4.625	49.2	670.3	18.0	18.4	35.6	53.7
Bayelsa	8	9,059	1.970	48.7	217.5	21.9	23.9	23.3	47.0
Cross River	18	21,787	3.344	49.1	153.5	32.8	18.2	46.4	52.9
Delta	25	17,108	4.826	49.7	282.1	22.9	27.2	42.8	63.3
Edo	18	19,187	3.701	50.1	192.9	14.8	35.2	39.4	65.6
Imo	27	5,288	4.609	49.7	871.6	28.3	26.1	33.3	50.5
Ondo	18	15,820	4.021	49.6	254.2	6.7	12.5	36.1	45.7
Rivers	23	10,575	6.162	48.6	582.7	66.4	25.5	26.3	50.4
Region	185	110,624	36.515		330.1	26.3	22.0		
Nigeria	774	909,890	183.600**		201.8	12.7	23.9		

Note: *NBS, Annual Abstracts of Statistics 2012. Available at <http://www.nigerianstat.gov.ng/library>

**NBS, Demographic Statistics Bulletin 2015. Available at <http://www.nigerianstat.gov.ng/library>

Theory of Change

- LIFE-ND is based on a Theory of Change that was developed in consultation with government, civil society, project beneficiaries, international development partners and other stakeholders during the process of elaborating the RB-COSOP in 2016. The Theory of Change was further validated during the first Design mission. The Theory is presented in tabular form on the following page.

Problem	Causes	Effects	Intervention	Impact	Objective				
Youth fail to access decent employment in the rural Niger Delta	Technical and Skills	Agriculture Limitations	Scaling up incubator model	Scalable model for Growth in sustainable rural enterprises	Enhance income, food security and job creation for rural youth and women through agri-enterprise development on a sustainable basis in the Niger Delta				
	No technical and enterprise skills					Low business outreach	Linking new enterprises to existing enterprises to higher level markets		
	Sub-optimal technology result in toil for low yield and low profit					Low production and productivity	Building capacity of youth: entrepreneur skills, organization		
	Weak market demand information leads to poor choices of enterprises					Low technology uptake	Capacity building for research and extension (public-private/civil society)		
	Access to Resources	Food deficiency	Climate smart technology transfer and green jobs	Systems for savings and payments		Better organized value chains			
							Inadequate capital to engage in agribusiness	Food insecurity and high food cost	Increases in the volume and value of marketed quality food
							Poor contracts, payment systems for rural enterprises	Low levels of nutrition	Job growth and increase in self-employment
	Poor access to land and unfavorable terms	Weak market demand information leads to poor choices of enterprises	Access to assets including land	Reduction of crime, militancy and migration					
	Climate change discourages activity	Social Concerns	Access to assets including land						
	Participation						No income		
Limited voice with state and local institutions					Youth restiveness				
Image problems with agriculture					Rural exodus				
	Stagnant rural economy								

Target group

23. LIFE-ND's primary target group will be unemployed and underemployed youth (aged 18-35) as well as women headed households with children under the age of 15 willing to engage in the production, processing and marketing of the selected commodities in their communities. Youth have poor access to land, input and agricultural credit to improve their production, productivity, income and livelihood.
24. LIFE-ND will primarily target 25,500 youth and women. It will also target 600 established and potential enterprise incubators as an entry point and a pathway for job creation and economic empowerment of the beneficiaries. The beneficiaries will be selected at the village level based on the criteria highlighted in Box 1. As described in detail in Component 1, Enterprise Targeting will be guided by criteria including: (i) level of return on investment; (ii) potential for job creation; and (iii) government priority. Two *opportunity* commodities will be targeted based on nutrition inclusion, income and potential for employment creation. By geographical targeting, LIFE targets to work in the nine states of the Niger Delta Region of Nigeria, with IFAD financing covering six states and NDDC financing covering three states with parallel financing.

Box1: Youth Targeting Criteria

- Expression of interest to be endorsed by a community institution: as an investment project, screening and selection of applicants, will be handled by a competent and credible service provider, with the involvement of community institution, youth in agriculture organization, women group, government representative and CSO
- Persons between the age of 18 and 35 years,
- Clarity in the enterprise of applicants choice/interest
- Comfort Letter from 2 credible guarantors in the community
- Undertaken to keep to the code of conduct of the incubation model, which include (i) no side-selling of produce – all sales to go through an out-growers model; (ii) no fighting on the job, and (iii) no stealing/pilfering
- Based on the level of social risk and opportunities available to them as appear in the Table 2, Beneficiaries selection will be in the proportion of 60 percent male youth and 40 percent female youth

Table 2: Level of Risk, Challenges and Opportunities facing young males and females in the Niger Delta Region

Social Group	Women			Men		
	Risks	Challenges	Opportunities	Risks	Challenges	Opportunities
Individual	Victimization, Migration, Low level crime	Unemployment, Social Exclusion, Land access, Limited skills	Apprenticeship, Access to land and finance, Service jobs	Migration, Criminality, Militancy	Unemployment, Land access, Limited skills	Apprenticeship, Access to land and finance, Service jobs
Household Leader	Victimization	Underemployment, Limited skills, Limited free time	Service jobs, Access to finance	Migration, Criminality, Militancy	Underemployment, Limited skills	Service jobs, Access to finance
Graduate	Migration, Low level crime	Unemployment, Underemployment, Access to resources	Roles as incubators, Access to growth markets, land and finance	Migration, Criminality, Militancy	Unemployment, Underemployment, Access to resources	Roles as incubators, Access to growth markets, land and finance
Non-Graduate	Victimization, Migration, Low level crime	Unemployment, Social Exclusion, Limited skills, Access to resources	Apprenticeship, Access to land and finance, Service jobs	Migration, Criminality, Militancy	Unemployment, Limited skills, Access to resources	Apprenticeship, Access to land and finance, Service jobs

25. The Incubators and potential Incubators will be directly targeted as the catalyst for enterprise establishment by beneficiaries and the main source for primary/decent jobs creation. While LIFE-ND's beneficiaries are youth and women, there is no requirement for an enterprise to serve as an Incubator. As such, some Incubators in the project's first years will be established enterprises owned by older people; some Incubators will result from successful apprenticeships, and, obviously, owners of Incubators may age as they provide formation for waves of Apprentices. LIFE-ND aims at using 600 Incubator Enterprises, comprised of 100 per state during the six year duration. LIFE-ND targets enable a total of 25,500 youth and poor women to have decent jobs by its completion. *Identification* of Incubators will be based on the following criteria: (i) ongoing operations in the specific value chains prioritized for the particular state; (ii) clear linkage from the business operation to higher value and higher volume off-takers; (iii) clear linkage from the business operation to reliable service and input suppliers; (iv)

- physical premises for the business with a location in proximity to a reliable all weather road; (v) annual sales revenue of at least US\$ 15,000; and (vi) willingness to mentor others. The Apprentices will be trained in business planning, business management and produce marketing, and qualifying Apprentices will be provided a capital stimulation grant to assist them to start-up their business for up to two production cycles.
26. **Gender Strategy:** For effective women inclusion, LIFE-ND targeting strategy will promote women favourable enterprises such as vegetable, fish, poultry, honey production, processing and marketing for income that also supports household food security and nutrition. There will also be provision to expand the commodities supported in each state to include opportunity commodity/enterprises, which fall within the range of women friendly enterprises. Strategies to realize this will include: (i) events appropriate to women's time and venue constraints; (ii) self-targeting of women's only groups; (iii) provision of 50 percent slot for women in each benefiting community; (iv) ensuring that women hold at least 50 percent of leadership positions in commodity associations; (v) engagement of a minimum of 30 percent of women in the project management team, among others. LIFE-ND will also adopt and promote the use of the Gender Action Learning System (GALS) that has been successfully used by the RUFIN programme. Finally, nutrition activities on homestead vegetable production or related commodity will target women groups.
27. To be very specific, **GALS** is one of the most comprehensive of the household methodologies. It is an innovative approach aimed at ensuring gender equality and social inclusion. The methodology is proven to increase impacts when mainstreamed to agricultural/rural development operations. Household methodologies are participatory approaches used to promote equitable intra-household relations, fair division of labour and shared decision-making processes. Experiences with the methodology in RUFIN have demonstrated deeper and more sustainable improvements in rural livelihoods through ownership, high quality of beneficiary participation, empowerment, and sustainability plan, among others. In RUFIN, the use of GALS improved household income management and women capacity to effectively access and use financial resources for their agricultural production. LIFE-ND will build on this experience to improve women involvement in agriculture.
28. **Strategic Collaboration:** LIFE-ND will target engagements with institutions such as IITA, Cassava Harvest Plus, African Rice, EU, FAO, UNIDO, USAID, and DFID who are working on various youth programmes or have demonstrated strong result/competence in Nigeria's Youth in Agribusiness Initiative. For instance, LIFE-ND will engage closely with IITA to leverage on its Onne Station to create decent jobs for many youth and women through its programme in Banana/Plantain, Cassava, and Fish enterprises. It will also engage with FAO to learn from the FAO-assisted Youth Employment in Agriculture Programme (YEAP), which was implemented by the Department of Extension of the FMARD for rural youth and women. In addition, LIFE-ND will target to benefit from the USAID promoted Agricultural Enterprise Curriculum Training of the USAID-funded MARKETS project, which was designed to attract youth in agriculture. It will build on the performance of African Rice in developing and empowering youth in VCDP. LIFE-ND will target the activities of Cassava Harvest Plus in nutrition mainstreaming to specifically target women beneficiaries.

B. Development objective and impact indicators

29. The **overall goal** of LIFE-ND is to realize a *transformed rural economy in which the rural population can derive prosperity and equal benefit*. The goal and purpose are aligned with the RB-COSOP Results Management Framework. The **project development objective** is to *enhance income, food security and job creation for rural youth and women through agri-enterprise development on a sustainable basis in the Niger Delta region of Nigeria*. This feeds directly into the RB-COSOP's Strategic Objective (SO) 1, which is to promote sustainable, climate resilient, economic and financial inclusion of youth and poor women in profitable

agribusiness. LIFE-ND will also feed into SO 2, strengthened institutions at state and community level to work with private actors in key value chains. The RB-COSOP is aligned to the Green Alternative (Government Agricultural Policy), which emphasizes four pillars: food security, job creation, import substitution and economic diversification. The achievement of the project objective at the end of the project life will be measured by the following indicators, among others:

- i. At least 80 percent direct beneficiaries (20,400) have increased their food security (reduction in length of lean/hungry season, increased number of meals a day, increased food diversity and quality) by at least 50 percent.
- ii. At least 80 percent of direct beneficiaries (20,400) have increased their assets (measured by an increased assets ownership index, based on additional assets - RIMS indicator) by at least 50 percent.
- iii. At least 25,500 youth or women owned agri-enterprises representing decent and gainful jobs are created, profitable and strengthened .
- iv. At least 25,500 direct LIFE-ND beneficiary households (the same as iii above) have stable income for enhanced food security and sustainable livelihood.
- v. At least 50 percent increase in volume of produce by beneficiary agri-entrepreneurs is realized and also marketed.
- vi. At least 50 percent of rural institutions promoting youth-based profitable agri-enterprises supported and strengthened.

C. Components and outcomes

30. The project has two components: (i) a technical component titled, Enhancement of economic opportunities for the rural youth and poor women; and (ii) Project management and coordination.

Component 1: Enhancement of economic opportunities for rural youth and poor women– US\$ 52 million.

31. The objective of this component is to facilitate the establishment of profitable agribusiness by beneficiaries, indicated by the number of paid jobs, youth and poor women's ownership of agribusinesses, increased capacity to handle and operate business, and improved market participation and access. The expected outcomes of Component 1 are:
 - Market driven rural business incubators are strengthened;
 - Production, productivity and marketing of agro-entrepreneurs are improved through public-private partnership (PPP) models;
 - Market access, participation and profitability of beneficiaries and market actors enhanced through sustainable enterprises and improved market infrastructure; and
 - Increased ease of beneficiaries doing agribusiness.
32. Component 1 is supported by four mutually reinforcing subcomponents: (i) support to agribusiness incubation; (ii) support to agribusiness production and marketing infrastructure; (iii) promotion of financial service for rural agribusiness; and (iv) institutional strengthening.
33. **Subcomponent 1.1: Support to Rural Agribusiness Incubation.** The expected outcome of this subcomponent is *25,500 sustainable profitable agri-enterprises are realized*. The subcomponent will facilitate the emergence of strong agribusiness Incubators and market linkages using PPP models. It will use: (i) 600 established rural profitable agribusinesses that have backward integration with the rural producers to develop and proliferate new enterprises; and (ii) large off-takers (market makers with national and export market linkages) to increase market size for produce from the Incubators. There will be three levels of assistance: (i) market linkage assistance for Incubators and smallholder producers; (ii) technical assistance to the Incubator, Apprentices and Smallholder Producers in the project catchment; and (iii) capacity

building assistance to strengthen rural enterprises through the provision of seed capital for equipment and services support. Enterprises emerging from the system will continue to receive technical assistance to sustain their profitability. Some of the new generation enterprises will subsequently develop into Incubators to scale up the project's on jobs creation.

34. The baseline survey conducted prior to design identified seven priority commodities based on their profitability; potential to create jobs for beneficiaries; household food security and nutrition; capacity for import substitution; as well as, potential to service industrial demand for raw materials. The commodities in order of profitability are cassava, plantain, rice, fish, oil palm, cocoa and poultry as explained in Figure 1.

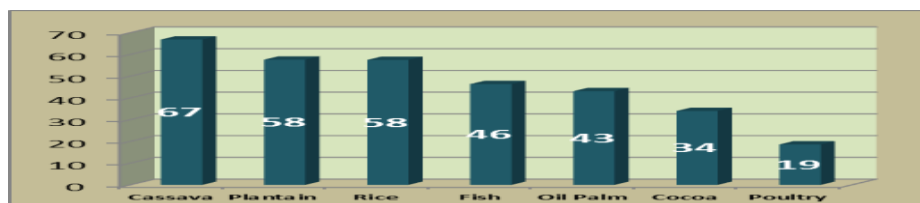


Figure 1: Percentage of value chain participants making at least 50 percent annual profit on their cost of production or processing.

35. **Implementation:** Each State Project Coordination Office (SPCO) will select four out of the seven commodities, in consultation with the State Government and IFAD. The commodity selection will be guided by criteria including: (i) level of return on investment; (ii) potential for job creation; and (iii) government priority. In each state, LIFE-ND may also select two additional *opportunity* commodities - from or outside the list of seven commodities. This will allow the selection of those local commodities that might emerge to offer high employment creation opportunity, income generation potential, better opportunities for women or improved nutrition. The priority commodities will be evaluated on the nutrition gaps and opportunities along the food supply chain to improve efficiency of value addition and access to nutritious food products. Given the current post-harvest loss rates range up to 60 percent in Nigeria for perishable crops, LIFE-ND will seek to reduce such losses through gender responsive and nutrition-sensitive, time- and energy-saving technologies across production and processing. The aim is to eradicate food waste, improve nutritional value and quality, mitigate any unintended adverse impact on women, and child feeding and caregiving practices. Approaches to these commodities will follow the prevailing logic of the project.
36. **Selection of Incubators:** Identification will be based on the following criteria: (i) ongoing operations in the specific value chains prioritized for the particular state; (ii) clear linkage from the business operation to higher value and higher volume off-takers; (iii) clear linkage from the business operation to reliable service and input suppliers; (iv) physical premises for the business with a location in proximity to a reliable all weather road; (v) annual sales revenue of at least US\$ 15,000; and (vi) willingness to mentor others. This identification should result in, at least, 200 potential Incubators in each state. From these 200 potential Incubators, 100 will be selected as participating Incubators. After compiling the long list, selection will be based on ranking: (i) percent of product sold to market; (ii) value of annual credit to the business; and (iii) number of years in agribusiness. Final determination of Incubators will be based mostly by choosing the top 100 potential Incubators according to these criteria; with some few exceptions to ensure that more than a single commodity is included in each state and that multiple communities benefit within each state.
37. **Phasing and outreach:** LIFE-ND will be implemented in two phases.
- *Phase 1 (prior to midterm)* covers the first three years. During this phase, LIFE-ND will launch the project on a limited scale by selecting 25 Incubators per state each of which will incubate five Apprentices per year for three years to maturity as Entrepreneurs. This is expected to generate 1,500 paid jobs in phase 1. Phase 1 Incubators will continue to

generate enterprises throughout the life of the project and are expected to add another 6,000 jobs.

- *Phase 2 (post midterm)* will capitalise on the lessons learned during phase 1. LIFE-ND will upscale the model to include an additional 75 Incubators per state each generating 10 Enterprises per year. This will lead to an additional 18,000 paid jobs.

38. The selection of Phase 1 Incubators will be based on the criteria stated in this PDR. In Phase 2, the selection criteria may be refined based on the lessons learned from Phase 1. During Phase 1, the main objectives are: (i) assisting selected Incubators to develop a simple and effective business plan with the assistance of established service providers—including other incubators¹⁵; (ii) effectively selecting Apprentices to participate in the project; and (iii) completing the first cycle of Apprentice graduation on a limited scale. Meeting these objectives will limit the number of Apprentices to five for each Incubator. By Phase 2, based on the experiences of Phase 1, ten Apprentices will be selected for each Incubator. A total of 25,500 enterprises, which represent paid jobs, will be generated during the life of the project. The outreach projections from the two phases are presented in Table 3.

Table 3: Enterprise outreach projections

Phases	Incubators per state	Number of states	Total number of incubators	Apprentices per incubator	Enterprises per year	Active project life	Enterprise LOP targets
Phase 1	25	6	150	5	750	2	1,500
Phase 2*	25	6	150	10	1,500	4	6,000
Phase 2	75	6	450	10	4,500	4	18,000
Total enterprises generated							25,500

Note: * The 25 incubators from phase 1 which will continue to participate in phase 2

39. The full detailed description of the Incubator Model is covered in working paper 2. The working paper discusses: (i) The selection process for Incubators; (ii) The selection process for Apprentices; (iii) The standard financial support for Incubators; (iv) The standard support package for Apprentices; (v) The business model for linking hosting communities, Incubators, Apprentices; (vi) The Apprenticeship model; (vii) Monitoring progress; and (viii) Resolving issues among communities, Incubators and Apprentices.
40. *Selection of Apprentices*: Apprentices will originate from the communities where the Incubators have been selected. Each Incubator will support ten eligible Apprentices for two business cycles of the Incubator's enterprise. The selection of Apprentices will begin with the identification of eligible candidates. Eligibility is based on the following:
- Being among LIFE-ND's target group that includes men and women between the ages of 18 and 35; or women with children under the age of 15 years;
 - Being a citizen or resident in the nine states of the Niger Delta;
 - Being ready, willing and able to undertake apprenticeship in the particular enterprise;
 - Being willing to agree to sell a prescribed portion of their output to the Incubator as part of developing and maintaining the mentoring relationship;
 - Being considered unemployed or grossly underemployed; and disadvantaged by a minuted meeting of the local community—as determined by a representative womens' community group.
41. Building on the CBNRMP experience, LIFE-ND will engage a service provider to assist in the first two screenings of applicants in consultation with the Incubators and other key stakeholders

¹⁵ Building on the technical, financial and infrastructural gaps identified during the Incubator selection process, a service provider will be engaged by the project to support the Incubators to develop their business plans. The business plans will specify financial growth projections that will further justify their capacity to absorb Apprentices.

such as community based organisations, women's groups and trusted civil society entities, and LGA representatives. The final decision on the selection of Apprentices will rest with the Incubator based on his/her confidence that the candidate has the tangible commitment to learn and replicate the business.

42. *Incubation process:* Apprentices will receive 10 days business planning and management training by established business development service providers, identified by LIFE-ND, to provide them with entrepreneurial knowledge and skills. The business orientation training will take place with both the Apprentices and their Incubator. It will cover the business cycle of the particular Incubator, cash management (including managing savings for later re-investment) and topics in agricultural entrepreneurship. By the end of this training course the Apprentices will have a practical, written guide (or business plan) to guide their actual operations with the Incubator for the next two business cycles, and beyond following their graduation. The Apprentice will start-up an enterprise, supported with modest seed capital from LIFE-ND,— which will be paid back following the first sales cycle. The Apprentice will remain attached to the Incubator for an agreed period not exceeding two production cycles. During these two cycles, some of the cash earned by the Apprentice will be used to capitalize a new business to be attached to the Incubators' business. This will: (i) attract more and larger buyers as the rural supply of uniform goods is increased; (ii) formalize the rural economy; and (iii) generally improve the structure of the value chain to underpin other development. An enterprise module is a minimum economic scale of agri-investment that allows a net profitability of at least US\$ 5 per day per capita, as indicated in Table 4.

Table 4: Key commodities and benchmark enterprise scale for support by LIFE-ND

Commodity ¹⁶	Unit of Enterprise	Minimum Scale of Investment
Cassava	Hectare	3
Rice	Hectare	2
Plantain	Hectare	2
Oil Palm Rehabilitation	Hectare	2
Cocoa Rehabilitation	Hectares	2
Vegetable	Hectares	2
Fishery	Number of fingerlings	1,500
Poultry (broiler/layer)	Number of day old chicks	500
Piggery	Number of pigs – 12 Sow, 3 Boar (4 :1 ratio)	15
Beekeeping	Number of hives	60

43. Table 4 is based on actual baseline data that reflect actual enterprises in their own context. To further clarify, two cash flow models are presented for the most expensive investments— piggery and fishery to better orient the reader on the costs and benefits of these enterprises.

	Piggery			
	Investment	Cycle 1	Cycle 2	Cycle 3
Concrete Pen	(600 000)			
Wieners	(60 000)			
Other	(50 000)			
Operations				
Costs	(250 000)	(250 000)	(250 000)	(250 000)
Expected Sales	2 800 000	2 800 000	2 800 000	2 800 000
Gross Cashflow	1 840 000	2 550 000	2 550 000	2 550 000
Losses				
	10%	(184 000)	(255 000)	(255 000)
Payments				
Incubator, Sundry 25%	(460 000)	(637 500)	(637 500)	(637 500)
Net Cashflow	1 196 000	1 657 500	1 657 500	1 657 500

¹⁶ In the case of tree crops, the model is restricted to rehabilitation of existing plantations as it is not possible to realize the establishment and maturity of these enterprises in under four years, which represent the most active period of the LIFE-ND Project.

44. The Incubators will be paid a service charge of not more than N\$ equivalent of US\$250 per Apprentice to cover the costs of training and extension services to the Apprentice. Given the labour-intensive nature of the short duration enterprises, Apprentices engaged in such enterprises will receive the N\$ equivalent of US\$ 25 per month for six months while those engaged in long duration enterprises will receive 50 percent of this allowance for 12 months. The project will provide US\$ 220 per Apprentice as seed capital to the Incubators to invest in the initial financing needs of the business to be started by the Apprentice attached to the Incubator.

	Fishery		
	Cycle 1	Cycle 2	Cycle 3
Investment			
Concrete Pond	(200 000)		
Netting	(12 000)		
Operations			
Costs	(675 000)	(675 000)	(675 000)
Expected Sales	1 800 000	1 800 000	1 800 000
Gross Cashflow	913 000	1 125 000	1 125 000
Losses			
	5%	(45 650)	(56 250)
Payments			
Incubator, Sundry 25%	(228 250)	(281 250)	(281 250)
Net Cashflow	639 100	787 500	787 500

45. The Apprentice will graduate from the Incubator facility after two production cycles and when the produce is sold for income, thus generating the capital for the Apprentice to set up an independent enterprise. Any gap in this capital for starting the new enterprise will be financed by the Incubator through a cashless credit facility, with the Incubator being repaid in trade as the Incubator will assume the role of an off-taker to the Apprentice's new Independent Enterprise. The Incubator will continue to provide marketing support to the Independent Enterprise through re-negotiated off-taker contracts. The Independent Enterprises can serve as village resource persons supporting the project to facilitate mobilisation of unemployed Youth and poor women and engagement as new Apprentices.

46. **Financial Support to Apprentices:** based on the minimum economic scale to enable a return on investment of about US\$5/day per Enterprise, Apprentices will receive two types of financial support; one which must be reimbursed and one which is a stipend during the Apprenticeship period. Each Apprentice will receive US\$ 1,250 as working capital to cover their first production cycle. This money will be used for inputs and services needed to produce the animals or crops for sale. At the time of selling, the Incubator will deduct this US\$ 1,250 from the Apprentices sales revenue and return this sum to the Commodity Apex Development Association (CADA) established under CBNRMP or other concerned community institution such as the IITA supported Youth in Agriculture Network, where CADAs are not in place. From the second production cycle forward, the Apprentice will be expected to self-finance working capital from his/her retained revenues. For short duration enterprises (with business cycles of less than six months), Apprentices will receive the Naira equivalent of US\$ 25 per month for six months; while those Apprentices engaged in long duration enterprises (greater than six months) will receive the Naira equivalent of US\$ 12.5 per month for 12 months.

47. **Subcomponent 1.2: Production and marketing infrastructure support to agribusinesses.** The expected outcome of this subcomponent is *agribusiness-driven infrastructure for improved access to market is realized and sustainably managed by beneficiaries*. The subcomponent aims to improve profitability of agri-enterprises, connect agribusinesses to the market (improved market access) and improve market participation of beneficiaries. In this regard, the subcomponent will support three categories of infrastructure activity, namely: (i) land development (involving securing, development and parceling of small contiguous farm land); (ii) feeder roads and culverts/small bridges establishment/rehabilitation; and (iii) farm-level production and processing structures/facilities/equipment including provision of water points and sanitation facility and fish production facilities like collapsible tanks. This will be achieved through collaboration with NDDC, relevant ministries and agencies of the federal and state governments and local communities.

48. **Establishment and improvement of feeder roads.** The project will establish or rehabilitate a market-connecting road for easy evacuation of farm produce from the small contiguous farm lands, which may be provided by the government, the community or willing individuals, and developed/parcelling to beneficiaries by LIFE-ND. In this regard, LIFE-ND targets to establish or rehabilitate 180 km (30 km per state) market connecting feeder roads at an average of 7.5 km per feeder road using the federal government standard for feeder roads. Selection of roads for construction or rehabilitation will prioritize incubator sites where road access to a primary market is a critical deficiency. Once these roads have been addressed, the project will then consider roads linking incubators to additional markets, if funds are remaining. In addition, LIFE-ND will establish up to 120 climate-resilient small bridges/culverts for effective water/flood channelling. This will link the activities of the Incubators and farmer organizations described in Sub-component 1.1 to the market. For the sustainability of the feeder road infrastructure, LIFE-ND will support the establishment of a beneficiary-based road maintenance strategy by helping them to form Operation and Maintenance (O&M) committees to ensure sustainability of the infrastructure.
49. **Land development.** LIFE-ND will promote and upscale the land acquisition and development initiatives of VCDP, presently being adopted by Edo and Bayelsa states in the Niger Delta Region, to ready agricultural land for the beneficiaries for production. LIFE-ND investment in land development will include stumping, harrowing, ploughing, levelling, drainage provision, water provision, tree planting and parceling for Incubator models that are focusing on crop production (rice, cassava, etc.) as their enterprise. About 30,000 ha of farm lands at the rate of 5,000 ha per state will be established. to support Incubators that require land for crop and horticulture farming, while Incubator models that do not require large amounts of land (fish farming in tanks, beekeeping, etc.) will operate on smaller areas. From the 5,000 ha per state, 1,000 ha will be secured and developed for the Incubation Process while 4,000 ha will be secured and developed for graduating Apprentices who are engaged in crops. Distribution of this land will be managed at the LGA level. The 1,000 ha per state will support an estimated ten Enterprise Incubators of 100 ha each that will be assigned to 45 Apprentices—that is 10 ha for the Incubator and 2 ha per Apprentice. Apprentices will be allowed to stay for two production cycles under the mentorship of the Incubator before graduating as an Independent Enterprise. New Apprentices will replace those that graduate. At his/her request, the Independent Enterprise will be provided 2 to 3 ha of land to continue his/her business for up to five years from the 4,000 ha. As noted in Subcomponent 1.1, the Independent Enterprise will remain linked to the Incubator in a marketing relationship, while at this point, the other services of the government, extension, etc., will also support the Independent Enterprise. An agreement to be facilitated by LIFE-ND will be signed between the Incubators and land owners for a period not less than 20 years for the security and sustainability of investment.
50. **Production and processing structures.** Consistent with Subcomponent 1.1, LIFE-ND will facilitate the provision of production and processing facilities including production structures such as collapsible fish tanks, fish earthen/concrete ponds, livestock production pens/chambers, water boreholes, mini-landing jetties (for boats picking up commodities on the creeks), small-scale irrigation schemes, etc., as well as processing facilities. The project will provide a standard weighing scale in each production and processing site to encourage the use of standard weighing scales by farmers and avoid conflicts that could occur between farmers and off-takers at the point of produce sales. About 60 standard weighing scales will be provided, 10 per state. Similarly, about 60 water points will be provided at the rate of 10 per state. LIFE-ND will support the formation and strengthening of water users' committees to oversee the water boreholes and water points for sustainability.
51. **Implementation:** Land will be supplied by the government or community or individual while the project will be responsible for development, including parceling/distribution of the farm plots to the beneficiaries through a competent service provider. LIFE-ND project will also: (i) facilitate the provision of water points through a competent service provider, (ii) facilitate the provision of

- production structures through a seed capital arrangement or the service charge of the Incubator; and (iii) for land acquisition, encourage a leasing agreement with the land owners (government, community, individual), which will define the period of the lease. The LIFE-ND project expects that the tenure should not be less than 20 years after which the lease agreement could be renewed for a certain period. For individually owned land, the lease agreement would define the compensation to the landlord. Such agreement should be validated by the traditional leader of the community, who will also witness the signing. For government land, an MoU will be developed between the relevant government ministry or agency and LIFE-ND to be witnessed by a serving parliamentarian, either at the state or national level. LIFE-ND will develop a detailed strategy for land acquisition and distribution as well as the terms of engagement with the land owners during the first year of implementation.
52. The project may also invest in other market facilitating infrastructure such as cooling facilities, warehouses, and commodity aggregation/collection centres to improve market access and profitability of the agri-enterprises. The opportunities for investment in these areas will be identified in consultation with the farmer groups, Incubators and the new Independent Enterprises, where applicable. Detailed feasibility studies will be conducted including analysis of the environmental impact of the infrastructure interventions. In the case of production activities within each developed bulk land, a PPP implementation model will be adopted.
 53. Physical implementation will be by service providers engaged competitively by the State Project Coordination Office (SPCO) with the Regional Project Coordination Office (RPCO) providing an oversight responsibility. The SPCO will use private sector contractors selected through an identified procurement process to provide production and market infrastructure after a thorough assessment of their feasibility, viability and environmental sustainability. Their provision will be contingent upon the establishment of a maintenance structure by the benefiting community or commodity members or entrepreneurs.
 54. Environmental and social safeguards will be required for each infrastructure, including tree planting and drainages within the processing and aggregation hubs where necessary. Portable water and toilet facilities are to be provided especially within mini-bulk lands, processing clusters, and aggregation centres. Safe effluent and refuse disposal systems will be provided, including channelling of excess water from boreholes and rain water to avoid breeding of mosquito and other harmful insects.
 55. **Subcomponent 1.3: Financial inclusion support for agri-enterprises.** The expected outcome from this subcomponent is that access to finance for agribusiness development in the rural communities is enhanced. The subcomponent will facilitate access to finance through: (i) savings promotion, (ii) payment systems (iii) cashless credit in off-taker pre-financing arrangements and (ii) investment insurance through the Nigerian Agricultural Insurance Corporation (NAIC) facility. Other systems currently under development including Bank of Agriculture's credit facility and the Nigeria Insurance Risk-based Agricultural Lending Micro Small and Medium Enterprise Development Fund will be reviewed, based on their effectiveness for possible inclusion in LIFE-ND during midterm review.
 56. **Savings Promotion.** Lack of investment capital is a major challenge among the target group which hampers their establishment of enterprises and their ability to leverage loan finance. Based on lessons learned from the IFAD supported RUFIN, LIFE-ND will assist the development of a savings culture and internal capital accumulation among individuals and groups in the project areas. LIFE-ND will initially demonstrate such models in the project communities and train a set of beneficiary promoters to champion and replicate these models within and around the villages based on service fees from the community. The further development of promoters as agents of financial suppliers in the rural areas will be supported.

- The Rural Outreach Coordination Committees (ROCC) approach, piloted under RUFIN¹⁷, will be used as the main platform for promoting and championing the adoption of these interventions by financial suppliers. The ROCC will also be used to promote beneficiary financing policies, products and delivery methodologies amongst the financial suppliers.
57. **Payment Systems.** Adoption of digital financial solutions will be promoted for improving rural outreach and for developing appropriate payment services towards efficient transaction between value chain actors. Based on innovations in the telecommunications and banking sectors resulting in over 20 service providers, LIFE-ND will support the development of competitive options to send and receive and store electronically cash for credit and payments among value chain actors.
58. **Off-taker pre-financing.** Building on the experiences of VCDP, the project will facilitate the formation of a Commodity Alliance Forum (CAF) in the benefitting communities as a platform including the public sector, private sector, and smallholder producers. The CAF will network large off-takers (as VCDP has done with rice producers and Olam International) with aggregators, input suppliers, producers and public officials. This platform will pragmatically link producers to a sure market; identify producers' needs for inputs and services; and organize the local businesses to work in harmony. Based on this harmonization, large off-takers will be able to provide credit in kind by paying input and service providers to assist producers to maximize their yields under contract with the off-takers. Thus a system of cashless credit will be put in place whereby large players can finance the producers through the value chain and recover their investment from the producers' delivery of food commodities.
59. **Options to be explored at Mid-Term.** Several efforts are currently underway in the rural finance space which, though promising, are not yet assured of success or sustainability. Among these are two: (i) Bank of Agriculture (BoA) credit facility to finance support services and microenterprises which seeks to support service entrepreneurs such as spraying service providers, mechanised service providers, agro-dealers and others with at single digit interest rate, minimal guarantee requirements and flexible repayment duration depending on the nature of the enterprise. (ii) The Nigerian Incentive Based Risk Sharing System for Agricultural Lending (NIRSAL) to direct agro-financing to project supported agri-enterprises through financial suppliers in the project area. Based on their need, the suppliers will be connected to the NIRSAL guarantee scheme, which will enable them to receive Micro Small and Medium Enterprise Development Fund (MSMEDF) refinancing from CBN at two percent interest and 10 percent collateral deposit. These funds will be on-lent to enterprises at single digit interest rate and flexible repayment terms. As these two mechanisms are not yet smoothly functioning, seek to intervene in the market at rates of interest below inflation and are bureaucratically complex, LIFE-ND will evaluate at mid-term the degree to which they are functioning and available in the six targeted states and determine if partnership established through fee payments to the facilities is warranted.
60. **Subcomponent 1.4: Rural Institution Strengthening.** The expected outcome from this subcomponent is increased capacity of rural institutions to identify and address infrastructure, policy and regulatory challenges. This subcomponent will target public and private institutions such as: (i) rural institutions [Farmers' Organisations (FOs), Community Based Organisations (CBOs), Incubators, CADAs etc.]; and (ii) state ADPs. Rural institutions will be empowered with skills, knowledge and technical support. ADPs will be linked to LIFE-ND to improve the capacity of the state public extension system to adopt inclusive extension delivery system as appropriate. Furthermore, LIFE-ND will facilitate the establishment and/or strengthening of at

¹⁷ As a part of RUFIN's sustainability plan, the Central Bank committed to the establishment of a ROCC in each state to strengthen the outreach of financiers. Each ROCC is headed by the CBN and includes representatives from the National Association of Microfinance Banks (NAMB), Association of Non-bank Microfinance Institutions of Nigeria (ANMFIN), State Department of Cooperatives (SDC), Bank of Agriculture (BoA), the Small and Medium Enterprise Development Agency of Nigeria (SMEDAN) and the State Ministry of Agriculture. The purpose of the ROCC is to promote rural outreach of financial institutions operating in the state through different available models.

least six youth advocacy platforms which will serve to promote the image of agriculture as a business among rural youth within and outside the Niger Delta region and to stimulate further private sector investment.

61. **Capacity Building of Rural Institutions and development of Community Action Plans:** The RPCO with support from a qualified service provider the conduct a participatory mapping exercise to situate institutions and assess capacity needs to develop a short to mid-term capacity building plan for each selected institution to assist in orientating beneficiaries in agribusiness development. Based on capacity building plans, training curricula will be developed/compiled where available the involvement of recognised research/training centres and/or universities will be sought. Areas of training will include planning, monitoring and evaluation, knowledge management, policy dialogue, funds/financial management and governance, procurement, group dynamics, nutrition knowledge, conflict mitigation, gender and climate change mainstreaming. The LIFE-ND will also expand this effort to include learning and knowledge sharing through south-south triangular cooperation. LIFE-ND will also employ approaches to encourage beneficiaries to be proactive in rural institution development. As such, youth and poor women may attend study tours to learn from successful examples of empowerment. The effectiveness of trainings will be demonstrated through rural institution action plans and annual reporting by institutions.
62. If necessary, support would be provided to market-oriented organizational forms to enable graduating youth entrepreneur, apprentices to benefit from economies of scale in engaging with input and output players and Local Government. The needs of the entrepreneurs/apprentices will shape the organizational form to be supported, while the likelihood for them to benefit either from existing framework through CADAs, the emerging CAFs or the establishment of new aggregation entities will be considered. Where capacity is available, the existing farmers' organisations may be used to facilitate graduated youth to expose them to good agribusiness practices. Any aggregation option (such as a group of apprentices or graduated youth) will be business-oriented and have the purpose of addressing constraints related to smallholder production and barriers to creating linkages to markets. The aim, therefore will be to support any aggregation option they choose themselves that enable them become efficient and help to reduce transaction costs. Organizational capacity building will focus on building social capital coupled with mainstreaming the business thinking in the aggregation process and help them come together to do things that contribute to higher profitability and to move away from running operations that are solely dependent on government or donor contributions. They will be facilitated to define how they do business with their customers based on a better understanding of buyers' needs, so that they can begin to prioritize activities that respond to reducing transaction costs and boosting profitability.
63. **Support to Public Extension System:** LIFE-ND will improve the capacity of the state public extension system (ADPs and departments of extension) to adopt inclusive extension delivery system as appropriate. Such systems may include; NGOs, CSOs and private sector extension delivery. In this context, LIFE-ND will provide technical assistance to the ADPs (and their state ministry of agriculture) to become regulators to ensure high quality extension delivery by the private sector, as well as initiate new approaches to be up-scaled by the private sector. Consistent with the current Federal Government policy on extension, LIFE-ND will also support the establishment of a total of 60 one-stop-shop extension platforms; one in each participating local government. The output of this activity will be measured in terms of number of farmers receiving improved extension services.
64. **Knowledge Sharing Platform:** It is anticipated that significant knowledge will be generated at the various institutions level. This knowledge will be harnessed, packaged and shared by the PCOs under Component 2 to enable stakeholders address policy issues relevant to the inclusion of youth and poor women in agriculture in their communities. Policy dialogue by the institutions will address issues including: (i) insecurity of investments, (ii) double taxation, (iii)

access to financial services, (iv) produce quality and standardization involving use of standard weight and measure. The project will support the establishment of periodic knowledge sharing events for stakeholders to discuss useful outcomes, lessons and challenges and have the opportunity to network and create partnerships. The stakeholders will broadly include: neighbouring communities, traditional institutions, schools and colleges, state institutions, national institutions, other development partners, and interested parties in the region. Contribution to or co-funding of relevant discussion fora will be part of the strategy to achievement good the objective of knowledge sharing in the project.

Component 2: Project management and coordination

65. The expected outcome of this component is: *an efficiently and effectively managed project achieving results with communication and knowledge management integrated in all aspects of operations*. Building on the experience of CBNRMP, project implementation will remain decentralized to the community through the participation of the private sector, LGA, state and federal levels. The RPCO will be located at the NDDC Headquarters.
66. Project support at the RPCO and SPCO will provide for staff, vehicles, office equipment and supplies, and operational costs. Staffing levels at the RPCO and SPCO will be kept to the barest minimum while technical assistance will be used in relevant fields as needed. At the LGA level, support will be for operational costs through the SPCO, but activities relating to M&E in terms of data collection and rendition will be funded directed by the RPCO.
67. It is foreseen that LIFE-ND (and VCDP) will be managed under a national level PMU responsible for liaison with FMARD's Project Coordination Unit, M&E and procurement. In order to facilitate quick and orderly effectiveness of LIFE-ND, the project will for its first year be managed under, the Coordinator and Financial Controller of VCDP which will allow LIFE-ND to rapidly enter into force and quickly begin addressing recruitment and procurement with loan proceeds. At the start of the project's second year, the National Level PMU will assume its limited function and both the hired Coordinator for LIFE-ND and ongoing Coordinator for VCDP will resume full responsibilities of managing their respective projects. LIFE-ND, VCDP and CASP will then benefit from centralized procurement, centralized M&E and centralized reporting to Government by the national level PMU.
68. LIFE-ND will also provide for technical assistance support to the national LIFE Programme at its Abuja office to facilitate the integration of the achievement of LIFE-ND in the national system that will include other development projects. In this context, the Abuja National Office is also a window for *scaling up* the activities of LIFE-ND to Nigeria's other 30 states.
69. The project will provide for training and workshops, studies and reviews, including monitoring and supervision, beneficiary and impact assessments. Further details on this component are available under the section "Organizational framework".

D. Lessons learned and adherence to IFAD policies and the SECAP

Lessons learned and adherence to IFAD policies

70. Based on the findings of the two CPEs in 2008 and 2015, the RB-COSOP, internal portfolio completion report, and project completion reports of past IFAD-assisted projects, the design of LIFE-ND has incorporated the following key lessons that are relevant to the project. These lessons are categorized into: (i) targeting, (ii) enterprise development approaches and models, (iii) social and environmental management, and (iv) project management.

Lessons on targeting

71. **Spreading resources thin diminishes impact.** For CBNRMP, resources were spread thinly across the nine states of the Niger Delta region resulting in inefficiencies, diluted quality of outreach, and limited overall project impact. Due to the long distances between the participating LGAs, large transaction costs (overhead cost up to 20 percent of project cost) were incurred in coordinating and monitoring of project activities. In line with the COSOP and CPE recommendations, LIFE-ND will limit IFAD loan proceeds to six states and aim at statewide coverage in these states, starting with 10 LGAs per state and increasing the number upon a review of performance at the midterm review. Since poverty levels are similar in the nine Niger Delta states, the six IFAD-supported states were selected using the following criteria: (i) clear government focus on community development and smallholder agriculture; (ii) willingness to work with the private sector; and (iii) demonstrated commitment and political will (as expressed in the level of participation in former CBNRMP) to support a joint project with IFAD. Within each state, the first 10 LGAs will be selected on the basis of the dominance of the priority commodities in their domain. Villages for intervention will be selected on the basis of the willingness of community members to participate in the project.
72. **Commodity and enterprise targeting are critical for good performance results.** Unlike the CBNRMP that supported an unlimited number of commodities and their associated agri-enterprises, LIFE-ND will emphasise the top four state government priority commodities with specific consideration to their level of: (i) return on investment; (ii) potential to create jobs for the beneficiaries; (iii) food and nutrition security; (iv) capacity for import substitution; (v) industrial demand; and (vi) availability of private sector players to drive production and offer reliable market outlet.
73. **Effective targeting of youth and women could yield better results.** Overall, Nigerian projects have recorded high participation of women and to a lesser extent youth. The process, however, lacked a clear targeting strategy to create learning that could be scaled up. For 50 percent of the project beneficiaries, LIFE-ND will continue the protocol for women including: (i) promotion of women responsive enterprises; (ii) direct targeting of women only groups; (iii) organizing time and venue friendly events for greater women participation; (iv) affirmative provision of: (a) at least 50 percent of leadership positions in commodity associations held by women, (b) engagement of a minimum of 35 percent women in the project coordination teams at the regional and state levels; and (c) use of the GALS successfully applied by the RUFIN programme. As the major issue being addressed by the project is youth restiveness—crime, migration, militancy—and these are primarily social ills affected young men—50 percent of the beneficiaries will be young men. To support this approach, LIFE-ND will also draw from the experience of the IITA youth agripreneurs and FAO-YEAP, to target youth and promote entrepreneurship skills in them through an enterprise incubation.

Lessons on enterprise development approaches and models

74. **The CDD approach can be adapted for the promotion of rural agribusiness development.** The CBARDP had used the Community Driven Development (CDD) approach to realize 361 new Community Development Associations (CDAs) in northern Nigeria. CBNRMP, in line with its renewed focus from 2010 on enhanced food security, job creation for youth and poverty reduction, adapted the CDD approach in the Niger Delta region into a commodity development approach to realize 154 Commodity Apex Development Associations (CADAs). The CADA, an umbrella association to support the enterprise groups in each community, supported the establishment of viable agro-enterprises, leading to a marked improvement of the incomes women and youth. The CADA also streamlined resource flow from CBNRMP to the enterprise groups in each community. While both the CDA and the CADA functioned to: (i) prioritize community needs; (ii) settle conflicts; (iii) ensure social inclusion; (iv) build social capital; (v) maintain productive infrastructure; (vi) manage financial resources; (vii) act as an entry point for development partners and government into rural communities; and (viii) provide a learning and knowledge sharing platform for members and non-members. The CADA further had a strong

emphasis on agribusiness development. It facilitate the creation of 1,800 strong enterprises owned by youth. LIFE-ND will deepen the use of the CADA to facilitate youth and poor women's involvement and women inclusion in agribusiness, and facilitate access to economic opportunities.

75. **Use of enterprise incubation model.** CBNRMP's innovative enterprise incubation model introduced youth to agribusiness and became a good youth-to-youth mentorship model for creating decent jobs and for sharing knowledge. At the close of CBNRMP, over 1,800 strong agri-enterprises were reportedly earning above USD 5 per day. LIFE-ND will adopt the incubation model as the entry point and a key stone to its approach.
76. **The private sector is enthusiastic to engage with smallholder farmers** if the farmers are organized and if there is a credible process to discourage side-selling of produce. VCDP through the Commodity Alliance Platform (CAPs), fostered linkages between farmers and the private sector, helping to build trust between the parties. The VCDP has helped to leverage finance through cashless credit support from the off-taker. LIFE-ND will deepen on the CAP to facilitate access to finance, technology and market for the beneficiaries, and in addition engaging with government and community members to secure and develop bulk land of various sizes for the beneficiaries.
77. **Inadequate financial access inhibits profitable agri-enterprise development.** Enterprise development in CBNRMP and other IFAD-assisted projects has been constrained by farmers' inadequate access to financial services to procure inputs to produce on an economic scale and reach profitable markets. RUFIN facilitated farmers' increased access to rural financial services through microfinance institutions (MFIs), and strengthened the savings culture, recordkeeping skills and cohesion of village saving and credit groups (VSCGs). As at 2016, up to N16 billion (US\$ 53.3 million) was leveraged as internal saving mobilization by the RUFIN facilitated savings and credit groups in 12 states of Nigeria. Unfortunately, RUFIN's focus was not primarily on enterprise groups and missed the opportunity to show huge impact on job creation. Because of this weakness, most of the enterprise groups in the CBNRMP states struggled without guidance and needed to invent their own systems to improve financial access. Learning from this experience, LIFE-ND has incorporated a financial access subcomponent to mainstream RUFIN's lessons and facilitate financial access by beneficiaries.

Lessons on social and environmental management

78. **Sound technical backstopping is critical for results in natural resource management and climate change adaptation.** CBNRMP was designed to address climate change and environmental issues because the region is highly prone to flooding as the drainage basin of the entire country, and is associated with high humidity induced pests and diseases, pollution and retardation of agricultural productivity. There is also effect of coastal erosion and high seas rising in the creeks and small island communities. However, little or nothing was achieved by CBNRMP in this sector due to lack of technical depth in the management team to incorporate climate change resilience and environmental degradation mitigation measures. LIFE-ND will mainstream climate change adaptation and environmental mitigation measures to promote climate change smart agribusiness for the beneficiaries.
79. **Insecurity and conflict may be mitigated through job creation.** IFAD-assisted projects in Nigeria have been vulnerable to various forms of conflict, insurgency or unrest – especially, Boko Haram in the north east region, pastoralist-farmer conflicts in the middle belt, and militancy and unrest in the Niger Delta region. With the activities of the pastoralists spreading further southwards, LIFE-ND will undertake a conflict analysis or risk assessment at the start of project implementation to provide mitigation strategies against identified potential conflicts. It is

expected that the creation of decent paid jobs by the project will help to reduce youth restiveness in the Niger Delta region¹⁸.

Lessons on project management

80. **Lack of a coordination structure constrains policy engagement¹⁹.** The absence of a well-structured policy coordination unit within the federal and state ministries of agriculture has been a major constraint to effective policy engagement, dissemination of results to government systems and institutions, up-scaling of successes by the government, and the development of strategic partnerships. LIFE-ND, along with all DP investments in Nigerian agriculture, will also invest in the central communication platform of IFAD supported programmes, which has become an active communication and knowledge sharing pathway to scale up results. At the state level, LIFE-ND will support the strengthening of the agricultural development programmes (ADPs) for effective policy dialogue on extension, quality assurance on services provided to beneficiaries, and M&E activities. At the state level, LIFE-ND will be domiciled in the ADP office complex for better synergy with government agricultural initiatives and other development partner projects.
81. **Linking release of IFAD loan proceeds to counterpart funding limits implementation effectiveness.** IFAD usually requires local counterpart financing as evidence of ownership of the project activities. However, linking counterpart fund contributions to the release of IFAD loan proceeds for field activities has created an inefficient fund utilization process, and limited implementation effectiveness. The Government of Nigeria also insists that payment of staff salary is a form of counterpart fund contribution. The situation has become worse now that Nigeria is in a recession and salaries of staff are in arrears in many states. This lesson was considered in amending the financial agreement for CBNRMP and in the design of the ongoing IFAD-assisted VCDP and CASP, and is in line with the practice of the World Bank which also provides 100 percent financing for all credit categories so that government counterpart financing is only used to cover salaries of seconded staff. In response to the recommendation of the Portfolio Completion Report, LIFE-ND will accept that government counterpart financing requirements may be limited to salaries of the seconded staff at all levels and operational costs like utilities, maintenance and office accommodation at the state level.
82. **Delay in start-up of projects.** Projects in Nigeria experience an average of 30 months delay in start-up, leading to redesigns and a reduction in the project relevance in relation to the objectives. The following measures will be taken to resolve this challenge: (i) National LIFE programme with annual appropriation will ensure the inclusion of the IFAD-assisted LIFE-ND in the national borrowing plan; (ii) IFAD has in principle agreed with the government proposal for a retroactive financing in the financing agreement to facilitate implementation readiness; and (iii) a sufficient number of personnel with private sector experience will be competitively engaged to effectively liaise with the private sector and deliver on the LIFE-ND investment targets using performance-based contracts.
83. **Low loan draw-down.** For most projects in Nigeria, weak financial management and unpredictable counterpart funding from the states and LGAs have disrupted fund flow and project delivery, leading to low loan draw-down. Consequently, LIFE-ND will: (i) align with Nigeria's new Treasury Single Account system for fund monitoring and donor alignment; (ii) strengthen the project's financial management capacity; (iii) as in other IFAD-assisted projects, limit government counterpart funding to overhead costs; and (iv) apply the IFAD loan proceeds to fund field activities 100 percent, pay the salaries of non-government staff at the national/regional/state levels, and the operational allowances of project staff.

¹⁸ See Appendix 18 for a media report on the expectations of NDDC on the impact of LIFE in reducing youth violence.

¹⁹ As FMARD has resolved to improve its coordination role and has requested for the assistance of all development partners and their projects, LIFE-ND will support establishing and capacitating a project coordination unit under the FMARD, including for monitoring and evaluation (M&E) and knowledge management.

84. **Partnerships covered by results-based collaboration agreements are more effective.** Many partnerships were established under CBNRMP on ad hoc and opportunistic basis. Fearing a loss of their jobs, CBNRMP staff also missed the opportunity to engage extensively with private extension providers early enough during the period of refocusing on agriculture. The situation affected the quality of service delivery until two years to programme completion when a mind-set change occurred among the staff. The design of LIFE-ND draws from this experience. The design also benefits from: (i) the ongoing VCDP where results-based partnership agreements are enabling stronger synergies and resulting in programme impact, especially in the areas of input delivery, financial access, reliable market outlet, economic and social empowerment for small farmers, knowledge sharing, leveraging of resources and scaling up of proven results; and (ii) the CBNRMP partnership with the Songhai Centre, National Root Crop Research Institute (NRCRI), USAID funded MARKETS II, and World Bank-assisted Fadama III involving memorandum of understanding (MoU) for accountability. LIFE-ND has provided for a business promotion adviser in the staff team to facilitate the inclusion of the private sector and civil society organisations (CSOs) in project implementation. The VCDP Commodity Alliance Forum (CAF) is a form of PPP where small producer enterprises, organized private sector operators, CSOs, NGOs, input dealers and market operators come together to engage in mutual business. The main market operators, who drives the forum is the off-taker of farmer produce. Engagement is guided by result based MoU where obligations of each party and the time frame as well as expected investment results are well defined, where LIFE-ND acts as the broker/facilitator.

Adherence to the SECAP

85. Based on the IFAD guidelines on the Social, Environmental and Climate Assessment Procedures (SECAP), the Environment and Social Risk Category for the LIFE-ND is **B**, while the Climate Risk Category is **moderate**.
86. The project's supported enterprises are largely natural resources-based development which may include development of agro-processing facilities. The environmental impacts will be substantially place-based and commodity-specific across enterprise clusters and communities around the Niger Delta region, and most of them are readily remedied by appropriate preventive actions and/or mitigation measures already proposed in the SECAP. The project activities may include minimal rehabilitation of rural farm roads. However, as much as possible, protected areas will be avoided and development in virgin area and wetlands will not be undertaken. There is very low risk of impacting physical and cultural resources. The project has minimal risk of causing land degradation through unsustainable land preparation and management practices which will be mitigated through awareness and training on sustainable land practices. There is moderate risk impact of surface water resources from use of agrochemicals and pesticides, which is expected to be mitigated by encouraging use of biodegradable farm manure and creation of a sustainable value chain in pesticides and agrochemicals management to create more jobs for youth and poor women while providing agrochemical service to the farmers. No economic displacement of marginal or indigenous population is envisaged.
87. The communities are the second level beneficiaries of the project after the Apprentices and incubators. In addition to government land, access to land will be mainly from the government and the community's free-consent release of land to the direct beneficiaries (who are also members of the community). No unsustainable natural resources management in fisheries, forestry and significant increase in use of agrochemicals that exceed the carrying capacity of the ecosystem is envisaged. Fish farming and aquaculture business will be in hand-stocked ponds. The project will not significantly increase the risk of erosion and flooding. Generally, the project will involve land use changes (agricultural intensification and/or expansion of the cropping area) and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods in non-sensitive areas. Small dams and water impoundment in non-sensitive and

wetland areas may be constructed to complement rainfall to ensure all-year round cropping for some crops, with the area to be impacted not exceeding 100 ha. An Environmental and Social Analysis to develop an **Environmental and Social Management Plan** (ESMP) is required and will be undertaken during project preparation or implementation.

88. The major climate risks for the project are increasing rainfall and temperature and the possibility of some crops and activities contributing to greenhouse gas (GHG) emissions. The impacts will be substantially place-based and enterprise-specific. The lower area of the Niger Delta region is low-lying and subject to flooding caused by high rainfall and the flow regimes of the River Niger. These will be mitigated by avoiding extreme floodplain areas. Late onset and early cessation of the rains may affect crops in the derived savanna zone in the upper parts of the region. These will be mitigated by increased access to climate information by farmers to guide on-farm activities. The region has no history of tropical storms and heat waves, and these are not likely. The expected future increase in both temperature (and its associated pest incidence) and rainfall (and its likely associated flooding impacts) as well as decline in the rainfall in the derived savanna zone are not likely to adversely affect the impact of LIFE-ND, sustainability and cost over the six-year lifetime. As much as possible, location of agribusiness in marginal and highly degraded areas will be minimized.
89. Weather-related risks including dry spells and floods may also adversely impact upon key stages of identified value chains in the project (from production to markets). Investment in institutional development and capacity building for rural institutions (such as farmer groups, cooperatives) is a key issue in this project to strengthen climate-resilient development, indigenous climate risk management capabilities, and adopt green technologies such as creating value chains in integrated pesticide and agrochemical management and conversion of farm wastes to animal/poultry feeds. Policy dialogue is also being introduced to mainstream climate resilience in the agricultural sector.

III. Project implementation

A. Approach

90. LIFE-ND will be implemented over a six-year period with IFAD financing the project in six states. The NDDC will finance, manage and supervise activities in the remaining three states. Thus, all the nine Niger Delta states will be covered by the project. Investments will cover 10 LGAs per state and 10 communities in each LGA targeted on the basis of poverty level, youth unemployment, community involvement, conflict-free nature, level of agricultural activities and private sector involvement.
91. Through a Public-Private Partnership (PPP) arrangement to be driven by the commodity alliance forum (CAF), the project will address the identified constraints that affect youth and women involvement in agriculture, low production and profitability, and employment. LIFE-ND will support: hands-on practical training on agribusiness production; access to resources for production including land; marketing support for enterprises through bulk contracts with the private sector; and, access to finance and market infrastructure to improve beneficiary market participation in the commodity value chain systems. These interventions will stimulate the development of agribusinesses leading to employment for the beneficiaries at on-farm and off-farm levels.

The **incubator model**: Based on the experience of the IFAD-financed CBNRMP which successfully supported over 6,000 rural youth enterprises and produced 1,800 string enterprises before completion, LIFE-ND will use the incubator model to achieve its objectives of enterprise and employment development. Since some of the enterprises created were active in training and helping other farmers to establish their business, CBNRMP coined the name of these enterprises as *incubator*. LIFE-ND will replicate and scale up the Incubator Model to

foster the development of new enterprises through training, capacity building, backward linkages and investments.

92. Figure 2 explains the process of incubation. Broadly: (i) *Applicants* from the target group are identified by business development service (BDS) providers based on the selection criteria in Box 1; (ii) successful applicants become *trainees* and undergo a 10-day business planning and management training; (iii) successful trainees are seconded to willing incubators where they become *apprentices* and undergo practical orientation for one to two weeks following the submission of acceptable business plan by the concerned CADA or Youth Group to LIFE-ND; (iv) following the orientation, Apprentices execute two production and sales cycles under the mentorship of the Incubator; (v) following the two production cycles, the Apprentices start their own *Enterprises* and are encouraged to agree with their Incubator a number of cycles during which they will market their output to the Incubator as their off-taker; (vi) following this process new enterprises may themselves become incubators.

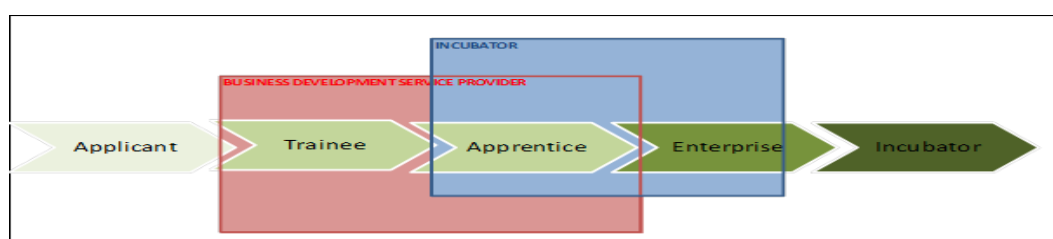


Figure 2: The incubation process in LIFE-ND

93. To strengthen the incubator model LIFE-ND will engage with government, community or individuals to make land available to the beneficiaries for production and marketing. As a quick-win, LIFE-ND will secure farm settlements and warehouse/storage facilities from states for development for use by the Incubators and Apprentices. Further, LIFE-ND will engage with market operators to broker marketing relationships with the beneficiaries. Where appropriate, the arrangement will be guided by an MoU clearly defining the obligations of each party and responsive to the project performance indicators and project development objective.
94. **Phasing:** LIFE-ND will be implemented in two phases. *Phase 1* will last for three years, up to the midterm of the project. During this phase, only 25 Incubators will be selected per state, each of which will incubate five enterprises per year for three years to generate 1,500 paid jobs in Phase 1. Phase 1 Incubators will continue to generate enterprises throughout the life of the project adding another 6,000 jobs. During *Phase 2* (post midterm), the project will capitalize on the lessons learned during Phase 1, and upscale the model to include an additional 75 incubators per state each generating 10 enterprises per year to generate an additional 18,000 paid jobs. This will give a total of 25,500 direct jobs created in the two phases. This target, as well as the number of participating LGAs, will be further reviewed during the midterm.
95. **Market, financing and institutional support for agri-enterprise development:** Beyond the incubator model, LIFE-ND will opportunistically increase the number of market linkages between smallholder farmers and large scale off-takers. In the Niger Delta, commodities such as cocoa, fish, rice, and palm oil are already traded on a large scale and it may be possible, without additional incubation to augment purchasing arrangements and MOU-based agreements between buyers and out-growers to include project beneficiaries. Drawing from the successful ongoing VCDP model, the project will support rural out-growers to better supply off-takers.
96. The project will facilitate appropriate finance to the incubators, apprentices, related businesses, individuals and catchment area businesses. This will be achieved through various means during project implementation, including: (i) savings promotion, (ii) payment systems and (iii) cashless credit in off-taker pre-financing arrangements. Other systems currently under development including Bank of Agriculture's credit facility and the Nigeria Insurance Risk-based

Agricultural Lending Micro Small and Medium Enterprise Development Fund will be reviewed, based on their effectiveness for possible inclusion in LIFE-ND during midterm review

97. The project will also implement a number of activities at national and state levels to strengthen the capacity of relevant civil society, public and private sector institutions to: (i) improve the policy framework for youth and women producers and marketers; and (ii) support learning, knowledge sharing and communication network and activities, to incentivise youth and poor women to engage in agriculture.

B. Organizational framework

98. LIFE is a FMARD initiated national programme FMARD is making arrangements to put a coordination structure in place. The overall objective of the national programme, which is to revitalize the rural economy through promotion of agribusiness among rural youth and women, is consistent with the first Strategic Objective of IFAD's 2016 RB-COSOP, as agreed with government. IFAD is providing support to the implementation of the national LIFE programme with the LIFE-ND in six Niger Delta states, focusing on agri-enterprise development. The NDDC is partnering with IFAD to finance LIFE-ND activities in the remaining three Niger Delta states.
99. Implementation of the project will be governed by six main principles: (i) alignment, to the extent possible, with the Federal Government's systems and procedures - especially those governing public expenditure management and procurement; (ii) performance-based engagement of private sector Implementation partners; (iii) continuous monitoring of public sector implementing partners and ensuring that their capacity is adequately strengthened so as to enable them to deliver on their mandates; (iv) empowerment of beneficiaries to take a leading role in project implementation through their grassroots institutions; (v) stronger partnerships and harmonization with other development partners and stakeholders in the sector; and (vi) facilitation of enterprise creation to generate decent jobs for youth and poor women.
100. The **National LIFE Programme Office (NLPO)** based in Abuja will oversee the IFAD-assisted LIFE-ND, focusing on policy dialogue, integrating and up-scaling the successes recorded by the project into the National LIFE Programme, knowledge sharing, and facilitating linkage with national institutions including CBN, Federal Ministry of Finance (FMF), SMEDAN etc. IFAD will provide some financial resources from the loan proceeds to support a staff position for liaison to the NLPO.
101. Project coordination and management will be decentralized to four levels: federal, regional, state, and LGA. At the federal level, a **National Steering Committee** to be chaired by the Honourable Minister of Agriculture and composed of stakeholders representatives which will include the Permanent Secretary of the FMARD, Head of PCU (being created by FMARD), Directors of Department of Extension and Department of Agriculture in the FMARD, Director of Agriculture and Fishery Directorate in the NDDC, Director and Deputy Directors of IER of the FMF, Federal Ministry of National Planning and Budget, Water Resources, Environment and Labour, CBN, Representative of Youth Group, will provide oversight to the implementation of the LIFE-ND and approve the annual work plan and budget (AWPB). The National LIFE Programme Coordinator will serve as Secretary to the National Steering Committee which is expected to meet once per year. The Regional LIFE-ND will serve as co-secretary.
102. At the regional level, a **Technical Support Committee (TSC)** chaired by the Managing Director of NDDC will comprise the NDDC Director of Agriculture and Fisheries, NDDC Director of Planning, National Programme Coordinator of LIFE, Regional Project Coordinator (who serves as Secretary), representative of FMF, representatives of recognised youth and women organisations, one representative from private sector operators of the Commodity Alliance Forum from each participating state, as well as relevant financial institutions and research institutions. The TSC will meet biannually to review progress of project implementation and

provide guidance for the smooth implementation of the project activities, or whenever there is an urgent technical issue that requires the attention of the Committee.

103. The **Regional Project Coordination Office (RPCO)** housed²⁰ in NDDC Headquarters in Port Harcourt will have direct responsibility for supervision, technical support and coordination of the activities of the State Project Coordination Offices (SPCOs). Headed by the Regional Project Coordinator (RPC), the RPCO will have the following professional staff: Agribusiness Promotion Coordinator, Rural Infrastructure Coordinator, Rural Institutions Coordinator, Monitoring and Evaluation (M&E) Coordinator, Knowledge Management and Communication (KMC) Coordinator, Project Financial Controller, Project Accountant, Procurement Coordinator, Administration and Logistics Officer, and Project Internal Auditor (who could be seconded from the Accountant General's Office). In addition, subject matter specialists will be hired when the need arises for the following areas relevant for overall project implementation: Rural Finance, Gender and Youth, Climate and Environment, Nutrition and Food Security, Sustainable Agriculture, and Project Management, under the technical assistance category of the project. The professional staff of the RPCO shall be recruited on a competitive basis and a suitably qualified staff from NDDC's Directorate of Agriculture and Fisheries will be deployed to work in the RPCO as one of the professional staff indicated above. Such staff shall report to the Regional Project Coordinator. Each Key Staff (Coordinators) will have an assistant to be competitively recruited. There will be limited number of support staff (like drivers, cleaners, receptionist, etc.) to be cleared by IFAD based on need.
104. At the state level, a **State Project Steering Committee** chaired by the Honourable Commissioner of Agriculture and composed of the commissioners of Finance, Budget and Planning, Women Affairs, representatives of government agencies and departments responsible for youth and women empowerment, representatives of selected commodity associations in the State, representatives of youth and women organisations, and relevant financial institutions, will provide oversight function on the project and approve the AWPB at the state level. In addition the State Project Steering Committee will facilitate the effective participation of relevant actors in the project.
105. Each participating state will have a **State Project Coordination Office** responsible for the coordination and supervision of project activities in the state and housed in the ADP. Headed by the State Project Coordinator (SPC), the SPCO will have the following professional staff: Agribusiness Promotion Officer, Rural Infrastructure Officer, Rural Institution/Gender and Youth Officer, M&E Officer, KMC Officer, State Project Accountant, State Finance Officer, Procurement Officer, Administration and Logistics Officer, and State Project Internal Auditor (who could be seconded from the Accountant General's Office). In addition, subject matter specialists will be hired when the need arises for the following areas: Rural Finance, Gender and Youth, Climate and Environment, Nutrition and Food Security, Sustainable Agriculture, and Project Management, under the technical assistance category of the project. Professional staff shall be recruited on a competitive basis and a suitably qualified staff from NDDC's state office will be deployed to work in the SPCO as one of the professional staff indicated above. Such staff shall report to the State Project Coordinator. Project implementation will be based on service contract to the competent and competitively engaged service providers.
106. At the **LGA** level, the project will maintain a **Desk Office** in the Department of Agriculture. The Desk Officer will be responsible for sensitization and advocacy at the community level under the guidance of the SPCO and will also participate in the selection of project beneficiaries.
107. At the **community level**, the project will strengthen the existing CADAs through capacity building and promote the formation of new CADAs where they do not exist to promote further agribusiness among youth and women for employment creation. The CADAs will be

²⁰ In line with the practice in CBNRMP, NDDC will provide the office accommodation, which could be outside the office complex of NDDC. Such office accommodation will be benefiting of a development project.

encouraged to form a federated CADA at the state level from their representatives to ensure strong and viable agribusiness associations.

108. The key implementing partners for LIFE include: (a) **at the federal level**, (i) the Federal Ministry of Agriculture and Rural Development, the Lead Implementing Agency; (ii) the Federal Ministry of Finance, the Borrower; and (iii) the Central Bank of Nigeria, for rural finance inclusion; (b) **at the regional level**, (iv) the Niger Delta Development Commission, a financing and implementing partner with a mandate for the development of the Niger Delta region; (c) **at the state level**, (v) the State Ministry of Agriculture, and (vi) the Agricultural Development Programme; (d) **at the LGA level**, (vii) the Department of Agriculture; and (e) **at the community level**, (viii) the Commodity Apex Development Association, (ix) the incubators, and (x) the apprentices. The PCU (being created), Bank of Agriculture, NIRSAL, the Small and Medium Enterprise Development Agency, the Federal Ministry of Women Affairs, and institutions within the National Agricultural Research System, are also expected to play vital support roles. An assessment of each of LIFE's implementing partners is presented in Appendix 5.

C. Planning, M&E, learning and knowledge management

Planning

109. LIFE will prepare the AWPB in a participatory manner by involving the various actors in priority agricultural commodities and strategic partners. Each state will develop an annual action plan with the participation of strategic partners and service providers. These plans will then be consolidated into a single AWPB, which will be submitted for analysis and validation to the regional Technical Support Committee and, then submitted for approval by the National Steering Committee.
110. Each AWPB proposal will include: (i) a detailed description of the activities planned for the coming year, together with the monitoring indicators and modalities for implementation; (ii) an 18-month procurement plan; (iii) a disbursement plan; and (iv) expected results. From the second year onwards, the AWPB should include a summary presentation of the results obtained and the constraints encountered during the previous year. A flexible approach to the possible revision of the AWPB during the fiscal year will be adopted to take into account the recommendations provided by the implementation stakeholders. A timetable for the preparation, analysis, validation, approval, implementation and review of AWPBs will be prepared by the PMU and approved by the National Steering Committee at its first meeting.

Monitoring and evaluation

111. LIFE-ND will develop an M&E system that focuses on results and uses these results for decision-making at different levels. This system will be used to provide information that is useful to measure implementation progress, the outcomes and impact of project activities on the target population and to steer the project. It will incorporate a short list of readily verifiable indicators related to IFAD's Results and Impact Management System (RIMS). The M&E system will be based primarily on LIFE-ND logical framework and the indicators will be disaggregated as much as possible by gender and age so as to inform the project's contributions to gender equity, women's empowerment and youth inclusion.
112. LIFE-ND M&E system will be participatory and will involve several steps, including:
- i. If necessary, technical assistance in the first six months of the project to develop an effective M&E system and build the capacity for its implementation. This technical assistance should help to develop the implementation of LIFE-ND intervention logic.
 - ii. Quantitative baseline surveys, supplemented by data from strategic studies on key project themes, including sector analysis, agribusiness opportunities for young people, issues related to gender, rural finance, etc. This baseline situation would also serve as a

- pre-impact assessment. It will allow for the development of impact trajectories that can identify and quantify the effects resulting from project interventions;
- iii. Ongoing internal M&E of project performance in terms of physical and financial progress of AWPB activities. The collection of information will be done through a simple and reliable system, including geographic information systems (GIS) tools for data collection and transmission, to feed a data base and a map with real-time project results, that can be shared with project partners and the general public;
 - iv. Participatory self-assessments with project stakeholders, such as service providers;
 - v. Joint supervision missions by the Government and IFAD, twice a year, as well as missions to support implementation;
 - vi. An internal and external midterm evaluation at the end of the third year of the project;
 - vii. Annual outcome surveys after midterm;
 - viii. A completion evaluation based on an impact study during the final year of the project. The impact study will use mixed methods, integrating participatory, qualitative and quantitative approaches in order to enhance the reliability of the data and to deepen the understanding of the results chain; and
 - ix. At project completion, a final mission to prepare a completion report and organize a closing workshop with project stakeholders.
113. LIFE-ND will use participatory approaches and methods, including assessments done by stakeholders, the collection of oral testimonials, participatory social mapping, charts and diagrams of causal relationships, trends and changes, and brainstorming on the strengths and weaknesses of project interventions. These participatory methods make it possible to capture the experiences and realities of LIFE-ND direct beneficiaries. They will also help to understand how contextual factors are influencing the implementation and outcomes of the project.
114. If necessary towards the end of the project, technical assistance will allow to develop quantitative impact assessment methods with well-structured statistical models to determine the magnitude of impacts, causal relationships, comparisons with the counterfactual - what would have happened in the absence of LIFE-ND, before and after, with and without the project, beneficiary and non-beneficiary households, and positive and negative impact on groups other than the direct beneficiaries. These impact assessments will help to better understand LIFE-ND impact on target households and its contribution on a larger scale, with direct and indirect outcomes.
115. The regional Project Coordination Office will be responsible for M&E, validation, consolidation, data analysis and reporting. The project's M&E system will be integrated with that of the FMARD and other partners to ensure sustainability and an effective use.
116. The M&E system will include social and environmental safeguard measures to support all project activities, especially those expected to have a critical impact. On the basis of the analysis and recommendations of the SECAP note, the project will finance the preparation of environmental and social management plans.

Learning and knowledge management

117. A knowledge management strategy will be developed by LIFE-ND during the first six months of the project and linked to the Knowledge Management Strategy of the FMARD. The strategy will aim to create a value chain between M&E, knowledge and communication in order to collect, process, document, use and distribute on a large scale the data and information generated by project activities. Multiple media and new technologies will be used.
118. The first step will be to collect in an electronic library all the important documents that provide information on the implementation of LIFE-ND. The second step will be to make an inventory and catalogue on an electronic platform of the activities of the beneficiaries, budget, results and impacts. The most important information will be compiled and fed into a database that will show long-term trends for key indicators. The third step will be to analyze and present the data from

the database in a user-friendly and differentiated form, according to the needs of the users. Graphs and maps will be created to show the evolution of the interventions of the project in the intervention area.

119. The dissemination and communication of the results will be done through: (i) a website developed by LIFE-ND, which will be able to publish newsletters four times a year; (ii) interactive radio broadcasts; and (iii) exchange visits on knowledge and innovations. The results of LIFE-ND will be made available to different partners for use in policy dialogue and the design of new projects. To this end, workshops and other opportunities for dialogue will be organized and supported annually during the presentation of LIFE-ND progress report. Good practices and success stories will also be identified, disseminated and scaled up. Particular attention will be given to the utilization of local knowledge generated by the project. Technical and knowledge capitalization documents (fact sheets, technical references, etc.) will be produced in various forms in collaboration with the technical team of the project during the life of the project. To this end, the RPCO will have Knowledge Management and Communication (KMC) Coordinator and each SPCO a KMC Officer.

D. Financial management, procurement and governance

Financial Management

120. **Anticorruption and good governance framework:** The project will be subject to IFAD's anticorruption policy. According to the policy, IFAD applies a zero-tolerance policy towards fraudulent, corrupt, collusive or coercive actions in projects financed through its loans and grants.
121. **Project financial management:** IFAD requires that the project will be implemented in an environment with sufficiently strong financial management systems and controls in place to properly manage, control and report on project finances. The RPCO through the SPCOs will assume overall responsibility of managing the project's fiduciary performance including, budgeting, accounting, financial reporting, submission of withdrawal applications to IFAD and hiring of the external auditor.
122. **Staffing:** Qualified staff will be recruited through a transparent and competitive process. The RPCO will employ a financial controller, an accountant, and an internal auditor. Each SPCO will employ a finance officer, an accountant, and an internal auditor.
123. **Budgeting and budget control:** The RPCO will prepare a consolidated AWPB based on input from the SPCOs in a format acceptable to IFAD and submit it to IFAD for its non-objection at least two months before the beginning of the relevant fiscal year. There will be no state specific allocation of financing in the IFAD Financing Agreement. Instead the transfer of funds from the RPCO to the states will be performance based and decided during implementation based on the AWPB and their past financial performance.
124. **Accounting:** The project will record its transactions in accordance with International Public Sector Accounting Standard (IPSAS) cash basis of accounting. A standalone accounting software is to be procured during the start-up phase and installed in the RPCO and the SPCOs. The accounting software will be customized to produce all IFAD reports and withdrawal application forms.
125. **Internal controls:** In order to ensure: (a) efficiency; (b) reliability of financial reports; and (c) compliance with applicable laws and regulations including the conditions set forth in the Financing Agreement, the RPCO will ensure that adequate internal controls including: (i) adequate policies and procedures, (ii) sufficient segregation of duties, (iii) fixed asset maintenance, (iv) periodic monitoring and review, and (v) proper authorization and access levels, are maintained throughout project implementation by the RPCO, SPCOs and all eventual implementing partners.

126. **Flow of funds:** A separate Designated Account (DA) will be opened for the IFAD loan in the CBN in US\$ and will not be mingled with other funds. In order to allow the FGN to monitor the income of funds, the DA will be a subaccount under the FGN Treasury Single Account (TSA). From the DA, the funds will flow to the project loan account (Project Account A) in naira. The federal counterpart funds will be deposited in a separate federal counterpart fund account. The RPCO will be authorized to manage both the DA and the federal counterpart fund account. Each state will open two accounts in naira: (i) a state project account (Project Account B) to receive IFAD loan funds from the Project Account A, and (ii) a state counterpart fund account to receive state counterpart funds. Each SPCO will be authorized to manage the Project Account B and the state counterpart fund account.
127. **IFAD disbursement procedures:** The IFAD financing shall be disbursed against duly certified withdrawal applications in accordance with the IFAD disbursement procedures.
128. **Authorized allocation of the Designated Account:** The DA for the IFAD financing will be operated and replenished following the Imprest Account arrangements. After the IFAD financing has entered into force and the conditions for first disbursement have been duly complied with and upon request by the Borrower, IFAD will make an initial deposit to the DA equal to the requirements of six months implementation (Authorized Allocation).
129. **Supporting documentation:** As the IFAD financing is a loan to the Federal Government, all original supporting documentation must be stored in the RPCO. The SPCOs will maintain certified copies.
130. **Financial reporting:** The SPCO will produce periodic financial reports in an agreed format with IFAD and submit these to the RPCO. The RPCO will produce its own financial reports and consolidate all the financial reports for the whole project. The RPCO will provide IFAD with consolidated financial reports²¹ within agreed timeframes as follows:
- (i) Quarterly or semi-annual consolidated interim financial reports
 - (ii) Annual consolidated Financial Statements within four months after the end of the fiscal year
 - (iii) Annual consolidated audit report and a management letter within six months after the end of the Borrower's fiscal year
131. **External audit:** The RPCO will appoint an independent private audit firm, procured in accordance with the method and criteria set forth in IFAD's Guidelines on Programme Audits (for Borrower's Use). The auditors will be required to audit the consolidated financial statements of the entire project for each fiscal year in accordance with International Standards on Auditing (ISA). The terms of reference for the audit will be agreed with IFAD on annual basis. The audit report, including the management letter covering the audit observations on internal controls, will be submitted to IFAD within six months of the end of the fiscal year. The appointment of the auditor shall be for a maximum period of 3 years, subject to satisfactory performance.
132. **Supervision and implementation support:** A financial management specialist will participate in the annual IFAD supervision missions to supervise and provide implementation support to the project.

Procurement

133. Public Procurement in Nigeria is governed by the Public Procurement Act (2007) which defines the responsibilities, principles and processes applicable in the public procurement of works, goods and services. The Act established the Public Procurement Board (PPB) with a role to supervise the established laws and policies, and report to the National Council on Public

²¹ The financial reports will include at least the following: i) sources and uses of funds by financier and by category, ii) variance report - incurred expenditures against budgeted expenditures by component and expenditure category, iii) bank account reconciliation, iv) Statement of Expenditures - Withdrawal Application Statement, and v) fixed asset register.

Procurement, comprised of high level government officials, representatives of professional associations and technical experts. The reforms in public procurement in Nigeria over the last 15 years have largely responded to the deficiencies identified by the World Bank.

134. The lessons learned from the IFAD country programme implementation over the last few years appear to emphasize that the capacity of procurement officials remains a major challenge. Lack of capacity in many cases constrains the ability of procuring entities to properly follow procurement and contract management rules and thereby obtain the desired outcome from a procurement procedure. Specifically, the issues that have been recurrently highlighted by IFAD supervision missions include a combination of: (i) ineffective procurement planning; (ii) ineffective bid evaluation procedures; (iii) weak contract management, and (iv) poor record keeping. Experience has shown that the incidence of such weaknesses can be mitigated in part by intense implementation support and close and continuous supervision.
135. In view of the above, LIFE-ND will, along with other ongoing and future IFAD projects, affiliate to a national level Project Management Unit that will function as a service agency and centralize certain functions for all projects to increase efficiency, including: liaison with the FMARD Project Coordination Unit, M&E and competitive procurement. In the case of competitive procurement—as unique from low value local shopping procurement—it is planned that the national level PMU will competitively recruit professional procurement services to service all projects. These services will comply fully with both Nigeria's Public Procurement Act and IFAD's policies (detailed in Appendix 8). These services will receive annual work plans and budgets, request and/or develop specifications of items and services to be procured, conduct tenders, and communicate with projects the winning bidders in order that the projects can make awards. The service provider will be independently audited on an annual basis. The national level Project Management Unit may as well consider to engage the services provider on the basis of both a base payment for each procurement and an incentive bonus on an annual basis for successful execution of duties.
136. LIFE-ND will comply fully with internal approval procedures. Appendix 8 presents the recommended procurement methods and thresholds that will initially be applicable for the IFAD financed portion of LIFE-ND. These thresholds will be finalised and formally communicated to the Government through the Letter to the Borrower (LTB), upon entry into force of the loan. During implementation, they may be unilaterally reviewed (raised or lowered) by IFAD. Where there is disagreement between the BPP's provisions and those in the LTB, the latter shall supersede the former. All contracts regardless of value will be subject to IFAD's ex-post review.

Governance

137. Fighting corruption is high on FGN's agenda and the corruption perception index published by Transparency International has shown a minor increase in the past years²². Similarly, the World Bank's Doing Business Report notes that despite some developments (e.g. registering property and protecting minority investors), the country still ranks relatively low (169 out of 189) with regards to the ease of doing business. Several public expenditure and financial accountability (PEFA) assessments have been conducted between 2008 and 2013 at state level, of which only four reports have been made public. The reports reveal that although some minor differences between states can be noted, the overall quality of public financial management systems in the country is weak and requires improvements. At the federal level, FGN is making some progress in improving its financial management systems and practices. In 2016, FGN set up a Treasury Single Account in the CBN, improving the FGN's ability to monitor the flow of funds to externally financed programmes and better control over US\$ transactions. FGN is also making efforts to adopt the IPSAS accrual basis in the coming years.

²² 2012 (27); 2013 (25); 2014(27); 2015 (26); 2016 (28)

138. To address the concerns about the poor governance potential in the project, the design incorporates the following measures for project implementation:
- i. **Transparency of information:** Enhanced disclosure provisions including: (i) making all key documents public, (ii) informing all bidders promptly of contract awards and bid evaluation summaries; (iii) allowing representatives of end-users of the goods or works being procured to attend the public bid openings; (iv) making available the details of all contracts awarded; and (v) making available the date of request for all contract payments and the date of each payment, with an explanation of the reason for any delays. These provisions are backed by the Freedom of Information Act (2011) which establishes “the right of any person to access or request information which is in the custody of any public official, agency or institution”.
 - ii. **Participation and consultation:** Establishing a complaint handling mechanism (and the use of sanctions), whereby community members and the general public can channel complaints or inquiries e.g. through the use of mobile phone text messaging. Complaints and inquiries will be systematically recorded and answered. The project will also post complaints on the national programme’s website so that case processing will be more transparent. Designated staff at the RPCO and SPCO will handle complaints and respond in a timely manner. In addition, all programme staff and all beneficiaries will be made aware of IFAD’s Anticorruption Policy as well as the national anticorruption policies and whistle blowing procedures.
 - iii. **Monitoring and oversight:** The project will establish an operational M&E system from the community to the national level to proactively monitor and report on project activities and performance across the result chain (including financial and physical progress). As part of the M&E system, all project sites including civil works, community organizations, incubators etc. will be mapped in a GPS database further supporting project implementation, IFAD supervision and evaluation of the project after the project has finished. For financial management, there will be an in-depth and intensive supervision in the initial years to ensure the successful implementation of the financial management arrangements. Alternatively, a separate mission/consultant complemented by desk-based review of financial and internal audit reports will be done every year. Annual meetings will be held to review project performance as well as the country programme to share lessons learned and best practices among programme staff and government counterpart agencies. There will be annual assessments of service providers by farmer organizations and commodity interest groups to feed into the annual project planning process. Moreover, the project internal auditors will play a key role in making sure that the internal controls are set up and working. The internal auditors will also conduct regular field visits to ensure that the financial progress is in line with the reported physical progress. The project will also be subject to independent and external auditing in line with IFAD procedures and requirements.

E. Supervision

139. Project supervision will be carried out directly by IFAD but in participatory manner involving key partners. The Supervision and implementation support function will include: (a) a start-up workshop; (b) review of AWPB and monitoring the implementation; (c) annual project review including review of progress reports from the RPCO; (d) review of withdrawal applications and procurement documents; (e) comprehensive field missions, jointly with the Borrower, leading agencies (FMARD), NDDC, participating key private sector operators and other implementing partners; (f) specialized implementation support or thematic missions by finance officers or technical staff and consultants to keep the project on track; (g) MTR of project implementation to assess overall performance on stated project objective midway to completion for any corrective measure; (h) knowledge events and workshops to capitalize and share knowledge on

- project performance; and (i) support to project completion exercise. IFAD will jointly with the FMARD organize a **start-up stakeholders' workshop** to establish a common understanding of the project implementation strategy, a shared vision of the project objectives and awareness of their respective roles and responsibilities at the commencement of the implementation.
140. The **start-up workshop** will involve key government representatives, project staff, other financing partners, beneficiary representatives, and NGOs. Using the project log frame as the starting point, IFAD will guide the project team to work out the specific actions needed to translate the project implementation strategy into the activities and results (outputs, outcomes and impacts) intended during the six years of implementation. The orientation for project staff and key stakeholders will explain the project objectives, log frame, conceptual framework and project activities as well as interpret the Letter to the Borrower, Financing Agreement, and key working documents. The start-up will also be used to explain the strategies for the project staff, key government functionaries, private sector players, and other development agencies to be involved in implementation.
141. Twelve months after the start-up workshop, **joint supervision missions** (IFAD, Government, NDDC and private sector players) will be undertaken annually to review progress and assist implementing agencies to improve project implementation. The supervision missions will assess overall physical and financial performance, address key issues regarding overall service delivery to meet development objectives, poverty, targeting and gender and job creation, as well as identify implementation constraints and propose measures for addressing bottlenecks. The aim is to ensure good governance and the project's compliance with all the fiduciary aspects of the Financing Agreement. Field supervision missions will follow after a comprehensive review of the project's progress reports; so the RPCO will be required to submit a report ahead of the mission. The mission will end with a debriefing of the leadership of the Borrower and FMARD, an aide memoire and management letter which will articulate the findings of the mission and actionable recommendations to address any shortfall or improve on performance. The project team, the Borrower, FMARD and NDDC will be supported by the IFAD Country Office to implement the recommendations of the mission. In selecting a supervision mission team, IFAD, Government and NDDC will consider continuity and variety of team members to ensure consistency and infusion of fresh ideas and advise into implementation. In this context, national and international expertise will be considered in the supervision team. The national experts will bring valuable local knowledge while the international experts will have a neutral position toward any local controversies. The financial experts will be encouraged to make a stand-alone mission prior to the main mission. Their findings will be made available to the main mission.

F. Risk identification and mitigation

142. **Climate risk** (rated moderate): The major climate risks are increasing rainfall and temperature and the likelihood of some activities (e.g. production of rice) leading to emission of Green House Gases (GHG). The concomitant flooding associated with increased rainfall could wash away farmlands and fish ponds. Increasing rainfall will also increase erosion in Abia, Imo and parts of Edo and Cross River states. Rising temperature will be mostly crop-specific (e.g. excessive heat decreases rice yield) and location-specific (e.g. excessive heat may reduce water available for crops in the derived savanna zones in the northern parts of Edo and Ondo states). Increase in temperature will also increase insect and pest activities and their impacts on on-farm and stored products. The poor capacity of the agro-allied agencies (extension services, meteorological) to generate and disseminate climate information to farmers to guide the timing of on-farm activities also remains a big challenge. As means of *mitigation*, LIFE-ND will: (i) strengthen the capacity of the extension agency to disseminate climate information to farmers for timely decision making; (ii) support farmers to grow crops that are tolerant to the prevailing local climatic condition, and encourage fish farmers to use nets and minimally open-up channels to prevent excessive flood during heavy rains; (iii) train farmers to drain rice

- paddies in mid-season to reduce methane emission and improve residue and nutrient management; (iv) encourage improved cultivation practices and use of organic fertilizers to boost soil fertility; (v) advise entrepreneurs to adopt a 'no regret' strategy including agricultural insurance; and (vi) discourage unsustainable secondary value chains such as the production of wood charcoal for use in fish kilns.
143. **Environmental risk** (rated moderate): Possible rehabilitation of agricultural land overtaken by bush, pollution of water sources from use of agrochemicals, poor management of agricultural waste, and bush and pipeline fires are some of the environmental risks. Pollution from oil and hazardous chemical spill in the interior creeks and mangrove swamps, and erosion in some states are some of the long standing environmental challenges in the Niger Delta region. As means of *mitigation*, the project will: (i) educate farmers on the need to use sustainable land development and preparation methods including zero or minimum tillage; (ii) discourage (and definitely not support) the opening of virgin forests and wetlands for farming or other enterprises; (iii) support the production of trees crops (especially oil palm) in the forest zone to improve the canopy ecosystems and carbon sink; and (iv) support the beneficiaries to create value chains in areas such as integrated pest and agrochemicals management and waste valorization towards environmentally smart agricultural production and processing.
144. **Land tenure and social exclusion** (rated moderate): Security of tenure remains an issue for all the models of land availability in the region. In the Niger Delta land is either inherited by male children or is communal. Legally, all land is owned by the Nigerian Government while the de facto case is that inherited lands are left to their family owners and communal lands can be allocated by communities on a lease basis. This de facto reality is rarely, if ever, challenged. Some of the private and communal land access arrangements do not guarantee social inclusion of the direct beneficiaries of the project - youth and women. In some localities, women cannot own land independent of their male partners, while in primogeniture societies, many youth and women will likely have no access to family lands. In some other communities, women have no say in public discourse and could be marginalized in land access and allocation for economic activities by the community. As means of *mitigation*, the project will: (i) give priority of land access to youth and women on any developed public (government land); and (ii) make the guarantee of access to land by youth and women one of the preconditions for a community to be selected to participate in the project.
145. **Social conflicts and youth restiveness in the region** (rated moderate): Youth restiveness has resulted from years of environmental damage which has affected traditional livelihoods, neglect in physical development, and divisive politics. This has led to loss of social and cultural cohesion and the emergence of a local elite through the selective gratification of a minority at the expense of the community and the environment. As means of *mitigation*: (i) the Federal Government instituted an Amnesty Programme, but its management has not been very satisfactory; and (ii) the project: (a) focuses on job creation for the youth through agri-enterprises; (b) has a robust conflict management strategy including using peer-to-peer reach-out, using successful youth entrepreneurs to reach out to other youth in the region; (c) will develop a clear communication and community sensitization strategy to manage expectations, and (d) operates an effective complaints and grievance mechanism to pre-empt and avoid escalation of conflict.
146. **Resource use conflicts** (rated moderate): The recent escalation of conflicts over land between farmers and pastoralists, precipitated by climate change and the terrorist crisis in northeastern Nigeria, is making an incursion into both the forest and savanna zones of the Niger Delta region. This has the potential of worsening the crisis situation in the region. As means of *mitigation*, the project will: (i) advise agri-entrepreneurs to avoid lands in designated grazing reserves and around known grazing routes; (ii) encourage agribusinesses to adopt agricultural insurance as a 'no regret' strategy to compensate for possible loss due to animal destruction of

- crops; and (iii) encourage state government to consider options such as creating ranches or designated grazing areas for the pastoralists.
147. **Political and counterpart funding risk** (rated moderate): The CBNRMP experience shows that the magnitude and timeliness of release of counterpart funds by some levels of government depended on the level of rapport between the different levels of government and how much their priorities aligned to the project's objectives. This adversely affected the sustainability and scaling up of the project. As means of *mitigation*, LIFE-ND will: (i) select the priority commodities to be supported in each state in collaboration with the state government, and the dominance of the commodity at the LGA level; (ii) minimize counterpart fund contributions by the LGAs who have been unable to exercise their autonomy in budgets in recent years; (iii) limit counterpart funding requirement by state governments to payment of seconded staff salaries and accommodation for the project office, in line with the recommendations of the IFAD country programme review and the practices of other development partners operating in the country, such as the World Bank.
148. **Governance and fiduciary risk** (rated high): The *mitigation* measures for the perceived high level of corruption in Nigeria, including the Niger Delta region, are highlighted in paragraph 136. In addition, LIFE-ND will adopt a system of central procurement with regular third party audit. Finally, discussions will be held by the project team with senior state government officials on reducing the cost of doing business by project beneficiaries, especially related to illegal tolls on their produce during transportation. This and other issues will be addressed through policy dialogue.
149. **Rural infrastructure underdevelopment** (rated moderate): The lack of infrastructure in most parts of the Niger Delta region remains a threat to agricultural transformation. Even when land is available, a lot has to be done to access it, and more still to improve rural facilities to attract young people with a city mentality to consider agribusiness in the rural areas. As means of *mitigation*, the project will: (i) support a campaign on the new interconnected economy and opportunities created by globalization, to change the mentality of agriculture being a rural occupation; (ii) encourage the state governments to provide basic infrastructure in the rural communities; and (iii) invest in productive and social infrastructure in support of the priority investments of the youth and women.
150. **Incubators dropping out midstream** (rated low): Youth in the Niger Delta region who are used to a 'free flow money from oil' mentality and 'selective gratification' may drop out of the project incubation process when they realize that there is not much physical cash at their disposal. Again, some incubators may shut down or send their apprentices away due to disenchantment with the project. As means of *mitigation*, the project will: (i) allow a certain percentage of entrants (5-10 percent) for attrition to ensure the maximum intended number of incubators and apprentices is reached; and (ii) comply with a rigorous selection process for the apprentices using community and commodity association guarantees.
151. **Access to market:** It was clear based on discussions with youth during design that getting through the formality to gain access to market is an issue for young agri-entrepreneurs. Though the off-taker arrangement may reduce this risk, it makes less money available to the entrepreneur as commodities are 'cleared' at farm-gate price rather than market price. As means of *mitigation*, the project will assist beneficiaries with market information and capacity building when needed to enter the mainstream local and external market channels.
152. **Elite capture:** (rated high) The chances of some 'city youth' that are more exposed and financially endowed than the 'home youth' coming back home to try and hijack the whole process exist. Politicians may also try to hijack and manipulate the selection processes to favour their cronies and supporters. As means of *mitigation*, the project will put in place strict due diligence and integrity checks in the selection of participating youth and women to ensure that only those who meet the set criteria are admitted to participate in the project.

IV. Project costs, financing, benefits and sustainability

A. Assumptions

153. LIFE-ND will comprise of two phases, each with a duration of six years. Implementation is foreseen to commence in 2018, just after IFAD's Executive Board Approval in December 2017.
154. The cost tables account for IFAD's and FGN's intention to set aside and/or mobilise an additional US\$ 30 million, from either a subsequent PBAS cycle²³ or through co-financing, to fund activities during the second phase (2024 – 2029). The specific activities that will be financed during Phase 2 will be a replication and up-scaling of those Phase 1 activities that do will have demonstrated sustainable results.
155. Unit costs have been estimated on the basis of prices prevailing at the time of the first design mission fielded in March 2017. Documentation from on-going projects (RUFIN, VCDP, CASP) were consulted to ground-truth cost estimates. Given the prevailing volatility of the Nigerian Naira (NGN) on the foreign exchange market (having lost half its value in the last 4 years), the input currency used for these cost tables is the US\$. Costs are also expressed in NGN at the current exchange rate of US\$ 1:NGN 305 - applied throughout the project life.
156. Local Inflation in Nigeria today stands between 16 and 18 per cent²⁴. Price contingencies have been calculated based on a constant: (i) local inflation rate of 11.5% (ten year average); and (ii) two per cent foreign inflation rate, based on the World Bank's Manufactures Unit Value (MUV) Index²⁵.
157. Taxes and duties were estimated using information made publicly available by the Federal Inland Revenue Service of Nigeria. All goods and services are subject to five per cent value added tax, Imported vehicles carry a 70 per cent import duty.
158. For the following expenditure categories, a five per cent physical contingency has been added to cost allocations under the following expenditure categories: (i) Civil Works, (ii) Equipment and Material; (iii) Training; and (iv) Operating Costs.
159. It is estimated that 50 per cent of expenditures under categories: Civil Works; Vehicles and Motorcycles; Consultancies; and Equipment and Material, will be made in foreign currency (i.e. for imported goods and services).

B. Project costs

I. Programme Costs

160. LIFE-ND is planned with a financing gap of six years. Thus the programme has both a first phase (covered by the targets set out in this document) of six years, with parallel finance from NDDC in three additional Niger Delta state, and then an additional six years to be financed in the future by other partners and/or an additional IFAD loan. Total programme costs to be incurred during the 12-year implementation period, including price and physical contingencies, duties and taxes, are estimated at US\$ 130.015 million. Base costs amount to US\$ 121.747 million. Estimated physical contingencies amount to US\$ 1.805 million; price contingencies are estimated at US\$ 6.463 million. The estimated foreign exchange element of project costs is US\$ 19.795 million representing approximately 15 per cent of total project costs. Duties and taxes are equivalent to US\$ 3.057 million (two per cent of total project costs). Investment costs US\$ 111.587 million - account for 86 per cent of base costs; total recurrent costs are estimated

²³ Financing terms to be determined and subject to IFAD's internal Procedures and Executive Board Approval

²⁴ Central Bank of Nigeria, 2017

²⁵ World Bank, 2017 – MUV is a Measure of the price of developing country imports of manufactures in U.S. dollar terms.

at US\$ 10.161 million. Programme coordination and Management (*Component 2*) costs amount to US\$ 21.508 million, representing 16 per cent of total project costs.

161. Total Project Costs by component is shown in tables 5 and 6 below:

Table 5: Programme Cost Summary by Component/Year (USD)

Federal Republic of Nigeria Livelihood Improvement Family Enterprises in the Niger Delta (LIFE-ND) Project Components by Year -- Base Costs (US\$ '000)													
	Base Cost												
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total
A. Component 1: Enhancement of economic opportunities for rural youth													
1. Sub-Component 1.1: Support to Rural Agribusiness Incubation	1 956	2 051	9 223	9 568	8 677	8 561	546	710	3 161	3 440	2 956	2 956	53 804
2. Sub-Component 1.2: Production and marketing infrastructure support to agribusinesses	-	8 827	8 504	8 504	1 124	837	-	2 843	2 723	2 723	323	323	36 730
3. Sub-Component 1.3: Financial inclusion support for agri-enterprises	575	699	675	675	699	675	175	222	210	210	222	210	5 247
4. Sub-Component 1.4: Rural Institution Strengthening	423	919	794	714	687	687	136	288	230	255	230	223	5 586
Subtotal	2 954	12 495	19 196	19 461	11 186	10 759	857	4 063	6 324	6 628	3 731	3 713	101 367
B. Component 2: Project management and coordination	3 828	1 924	1 934	2 151	1 934	2 424	1 522	913	913	913	913	1 013	20 380
Total BASELINE COSTS	6 781	14 419	21 130	21 612	13 120	13 183	2 379	4 977	7 237	7 541	4 644	4 726	121 747
Price Contingencies	33	291	337	344	98	97	16	147	170	170	51	50	1 805
Inflation													
Local	156	1 457	2 785	4 057	2 392	3 027	1 116	2 911	4 081	4 770	3 121	3 702	33 556
Foreign	12	102	164	230	44	83	63	273	297	326	59	78	1 730
Subtotal Inflation	168	1 559	2 929	4 287	2 437	3 110	1 179	3 184	4 378	5 096	3 180	3 780	35 285
Devaluation	-127	-1 196	-2 289	-3 389	-2 019	-2 574	-955	-2 507	-3 545	-4 174	-2 757	-3 291	-28 822
Subtotal Price Contingencies	41	364	639	898	417	536	224	677	833	922	423	489	6 463
Total PROJECT COSTS	6 855	15 074	22 106	22 854	13 635	13 815	2 619	5 800	8 240	8 633	5 118	5 265	130 015
Taxes	184	426	470	476	189	218	91	243	267	266	110	118	3 057
Foreign Exchange	1 173	3 473	3 390	3 427	520	804	520	1 978	1 914	1 898	314	383	19 795

Table 6: Programme Cost Summary by Component/Expenditure Account (USD)

Federal Republic of Nigeria Livelihood Improvement Family Enterprises in the Niger Delta (LIFE-ND) Expenditure Accounts by Components - Totals Including Contingencies (US\$ '000)							
Component 1: Enhancement of economic opportunities for rural youth							
	Sub-Component 1.2: Production and marketing infrastructure support to agribusinesses		Sub-Component 1.3: Financial inclusion support for agri-enterprises		Component 2: Project management and coordination		Total
	Sub-Component 1.1: Support to Rural Agribusiness Incubation						
I. Investment Costs							
A. Inputs	-	-	-	-	-	-	-
B. Civil Works	-	38 328	-	-	-	-	38 328
C. Vehicles and Motorcycles	-	-	-	-	-	2 588	2 588
D. Consultancies	2 314	3 023	587	707	1 894	8 524	8 524
E. Credit and Subsidies	43 321	-	-	-	-	-	43 321
F. Equipment and Materials	-	-	-	-	711	711	711
G. Training	8 129	-	84	2 718	105	11 035	11 035
H. Workshops	-	-	5 080	2 751	4 199	12 030	12 030
I. Unallocated Investment Costs	-	-	-	-	3 010	3 010	3 010
Total Investment Costs	53 763	41 351	5 750	6 176	12 506	119 546	119 546
II. Recurrent Costs							
A. Salaries and Allowances /a	1 467	-	-	-	7 330	8 797	8 797
B. Operating Costs	-	-	-	-	1 672	1 672	1 672
C. Unallocated Recurrent Costs	-	-	-	-	-	-	-
Total Recurrent Costs	1 467	-	-	-	9 002	10 469	10 469
Total PROJECT COSTS	55 230	41 351	5 750	6 176	21 508	130 015	130 015
Taxes	522	1 544	208	229	553	3 057	3 057
Foreign Exchange	1 157	15 445	293	354	2 546	19 795	19 795

/a Staff Salaries paid by the FGN and State Governments - IFAD loan to finance allowances

C. Project financing

162. LIFE-ND will be financed by: (i) the Federal Government of Nigeria,(ii) the six participating State governments, (iii) The Niger Delta Development Corporation (NDDC), and (iv) IFAD. The Federal Government will provide financing in foregone tax revenue and through payment of salaries of RPCO staff. State governments will finance salaries for all SPCO staff. Moreover, State governments will aggregately make 30,000 ha available to the project (not monetised) and will contribute to 50 percent of the cost of land preparation on the 6,000 ha earmarked for incubators. The NDDC will provide US\$ 30 million in parallel co-financing to replicate LIFE-ND in the three states not covered by IFAD financing. IFAD will provide a US\$ 60 million loan for the first phase, and anticipates a further US\$ 32 million for the second phase; while allowing that this figure may be more or less depending on the allocation, the performance and confinancing. The tables that follow show the financing plan by (i) component, and (ii) by expenditure account.
163. IFAD financing for the first phase (2018 – 2024) will provided as a US\$ 60 million loan subject to (i) interest on the principal amount outstanding at a fixed rate of 1.25 per cent; (ii) a maturity period of twenty five (25) years; (iii) a grace period of five years; and (iv) a service charge of 0.75 per cent incurred by the Borrower as of the date of approval by the Executive Board. A further US\$ 30 million in financing will be allocated by IFAD for the second phase (2025 – 2029). The financing terms and conditions for the second phase will be subject to IFAD's internal procedures and approval by its Executive Board.
164. The financing plan by component is Disbursement Account is presented in tables 7 and 8 below:

Table 7: Programme Financing Plan by Component (US\$'000)

Federal Republic of Nigeria Livelihood Improvement Family Enterprises in the Niger Delta (LIFE-ND) Components by Financiers (US\$ '000)															
	IFAD Loan 1		IFAD Loan 2		NDDC		Federal Government		State Governments		Total		For. Exch.	Local (Excl. Taxes)	Duties & Taxes
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%			
A. Component 1: Enhancement of economic opportunities for rural youth															
1. Sub-Component 1.1: Support to Rural Agribusiness Incubation	27 874	50.5	14 339	26.0	12 496	22.6	522	0.9	-	-	55 230	42.5	1 157	53 551	522
2. Sub-Component 1.2: Production and marketing infrastructure support to agribusinesses	17 201	41.6	9 686	23.4	10 462	25.3	1 544	3.7	2 458	5.9	41 351	31.8	15 445	24 362	1 544
3. Sub-Component 1.3: Financial inclusion support for agri-enterprises	2 526	43.9	1 422	24.7	1 594	27.7	208	3.6	-	-	5 750	4.4	293	5 249	208
4. Sub-Component 1.4: Rural Institution Strengthening	2 784	45.1	1 569	25.4	1 594	25.8	229	3.7	-	-	6 176	4.8	354	5 593	229
Subtotal	50 384	46.4	27 016	24.9	26 146	24.1	2 503	2.3	2 458	2.3	108 507	83.5	17 248	88 755	2 503
B. Component 2: Project management and coordination	9 616	44.7	5 066	23.6	3 854	17.9	553	2.6	2 419	11.2	21 508	16.5	2 546	18 408	553
Total PROJECT COSTS	60 000	46.1	32 081	24.7	30 000	23.1	3 057	2.4	4 877	3.8	130 015	100.0	19 795	107 163	3 057

Table 8: Programme Financing Plan by Disbursement Account (US\$'000)

Federal Republic of Nigeria Livelihood Improvement Family Enterprises in the Niger Delta (LIFE-ND) Disbursement Accounts by Financiers (US\$ '000)															
	IFAD Loan 1		IFAD Loan 2		NDDC		Federal Government		State Governments		Total		For. Exch.	Local (Excl. Taxes)	Duties & Taxes
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%			
Inputs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Civil Works	16 732	43.7	9 421	24.6	8 211	21.4	1 506	3.9	2 458	6.4	38 328	29.5	15 059	21 763	1 506
Vehicles and Motorcycles	1 293	49.9	529	20.5	637	24.6	129	5.0	-	-	2 588	2.0	1 294	1 165	129
Consultancies	3 550	41.6	2 249	26.4	2 311	27.1	314	3.7	100	1.2	8 524	6.6	3 137	5 074	314
Equipment and Materials	399	56.1	134	18.9	147	20.7	31	4.3	-	-	711	0.5	305	375	31
Salaries and Allowances	3 592	40.8	1 537	17.5	1 350	15.3	0	-	2 319	26.4	8 797	6.8	-	8 797	-
Operating Costs	900	33.4	689	25.6	1 020	37.9	84	3.1	-	-	2 692	2.1	-	2 609	84
Grants and Subsidies	21 450	49.5	10 725	24.8	11 146	25.7	-	-	-	-	43 321	33.3	-	43 321	-
Training	5 737	47.7	3 231	26.9	2 589	21.5	472	3.9	-	-	12 029	9.3	-	11 557	472
Workshops	6 348	48.7	3 566	27.4	2 589	19.9	522	4.0	-	-	13 024	10.0	-	12 503	522
Unallocated	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total PROJECT COSTS	60 000	46.1	32 081	24.7	30 000	23.1	3 057	2.4	4 877	3.8	130 015	100.0	19 795	107 163	3 057

D. Summary benefits and economic analysis

Benefits

Over the first six years of implementation, LIFE-ND is expected to generate the following quantifiable benefits:

- (i) **Employment creation:** at least 25,500 new jobs, distributed as follows: male youth 7,069 (28 percent); female youth 5,553 (22 percent); women 5,950 (24 percent) and men 6,428 (26 percent).
 - (ii) **Incomes** (annual) accruing to the beneficiaries are: cocoa production N\$ 1,152,950; plantain production N\$ 1,144,310; oil palm production N\$ 2,034,060; cassava production N\$ 160,700; rice production N\$ 246,970; poultry production N\$ 535,280; fish production N\$ 407,390; fish processing N\$ 291,710; palm fruit processing N\$ 1,331,200; rice milling N\$ 989,760; and cassava processing N\$ 672,640.
 - (iii) **Yield increments** with improved management practices are estimated at: cocoa 30 percent; plantain/banana 40 percent; oil palm 40 percent; stocking density of aquaculture ponds 50 percent (from 800 to 1,200 fish); palm fruits processed 50 percent (from 20 MT to 30 MT) per processor; cassava tubers processed 60 percent (from 25 MT to 40 MT per processor; and paddy rice milled 30 percent (from 30 MT to 40 MT) per processor.
 - (iv) **Improved food security** from increased production of staple food crops, fish and poultry, improved nutritious feeding regimes, and improved distribution of food produced.
 - (v) **Import substitution and conservation of foreign exchange** with the increased production of food items that were hitherto imported such as rice, poultry and fish.
165. The expected unquantifiable benefits from the implementation of LIFE include: (i) *fiscal* - value added tax (VAT) paid to the government treasury by beneficiaries on the sale of produce from the project; (ii) *increased market levies and payments* for marketing services by beneficiaries which lead to improved marketing services; (iii) *improved patronage of suppliers of farm inputs and processing equipment* by the beneficiaries, fueling the local economy and improving efficiency of service delivery; (iv) *reduced youth delinquency* with more youths being gainfully employed in agribusiness and having less time and urge to harass government officials and businessmen will lead to improved productivity in the government and business sectors of the region; and (v) *increased foreign exchange earnings* associated with increased production of cash crops such as cocoa, palm kernel and palm kernel oil.

Economic analysis

166. The estimated overall financial Internal Rate of Return (FIRR) for the LIFE project is 43%; with a NPV of NGN **53,646,174,700** or USD **175,889,100**; and incremental net benefit of NGN **15,148,983,800** or USD **49,668.800**, assuming an opportunity cost of capital of 14%.
167. The estimated overall Economic Internal Rate of Return (EIRR) for the LIFE project is 35%; with a NPV of NGN **31,758,741,400**; or USD **104,120,000**; and incremental net benefit of NGN **13,089,456,900** or USD **42,916,300**, assuming an opportunity cost of capital of 14%.
168. Sensitivity tests indicate that the estimated EIRR for the LIFE project is stable given a variety of assumptions. The tests indicate that the LIFE project remains viable under a variety of price and cost changes. In general, most the enterprise models were sensitive to changes in the output price, investment and operating costs. A 10% drop in the output prices reduces the project EIRR by 10%, and a 10% increase in investment cost reduces the project EIRR by 5%, and a 10% increase in operating costs reduces the project EIRR by 6%.

E. Sustainability

169. The sustainability of LIFE-ND benefits is anchored on:

170. **Institutional sustainability:** LIFE-ND will be implemented within the exiting institutional framework of the FMARD, the lead implementing agency, the NDDC's Directorate of Agriculture (co-implementing agency), state ministries of agriculture and their ADPs (co-implementing agency), the youth agribusiness network (beneficiary organization), enterprise incubation association of Nigeria as a private sector partner organization (participating organization), commodity apex organizations (community farmer organizations); as well as involve the participation of credible service market operators in the implementing process (input dealers, financial institutions and produce off-takers). At the field level, LIFE-ND will use the PPP instrument to facilitate youth and women empowerment, as well as market participation of the beneficiaries. The involvement of community institutions in the beneficiary selection process and use of successful community-based enterprises to trigger generation of new enterprises are process that will create dynamic youth involvement in agribusiness and ensure sustainable rural economy.
171. The incubator model is an institutional process of enterprise and job creation which is expected to drive itself once the initial set (600) of Enterprise Incubators are identified and strengthened. In addition to their role as mentors, the Pioneer Enterprise will act as Off-takers to the Apprentices and young enterprises to absorb the increase in produce and thus deal with the potential market challenges. LIFE-ND has also incorporated implementable policy considerations including policy debate, institutional and regulatory strengthening, as well as, support to norms and standards to ensure sustainability, replication and up-scaling of successes. Enterprise growth will be enhanced through reduction of market distortions such as illicit levies, counter-productive trade measures or inoperative incentive schemes. Stronger enterprises and youth-in-agriculture organisations will be able to enter into policy dialogue with the leadership of government and the community, resulting in the beneficiaries being in a stronger position to defend and promote their interests, while developing useful services for their membership.
172. Building on the success of VCDP's commodity alliance forum, which is a PPP arrangement involving the private sector, producers and government, LIFE-ND will, by PY2, establish a commodity alliance forum, as a business transaction, knowledge sharing and policy dialogue platform to engage with rural women and youth quarterly to advance the gains of the project. The forum will be used to discuss and fix the challenges facing each stakeholder prior, during and after the planting season. Secondly, from PY1, LIFE-ND will provide the necessary technical support to NDDC to enable the commission undertake a parallel project implementation in some states and local governments. This process is expected to empower NDDC to build on the success of the project by mainstreaming the LIFE-ND enterprise incubation model in their system and sustain the job creation initiative.
173. **Economic and financial sustainability:** The use of the private sector to drive implementation, emphasis on productivity enhancement through the use of best production and business practices, profitability of enterprises to ensure income in beneficiary income, as well as employment/job creation through ownership of profitable enterprises have built an economic sustainability framework in this design. Building on the experiences of CBNRMP, the entire LIFE-ND design is built on the ability of the project to engage in high value (profitable) enterprises that also have the potential to create jobs for youth and poor women, which has proven to proliferate enterprises even after project completion. The design also provides for the linkage of the enterprises to credible financial institutions, as well as the existing CBN and BoA refinancing facilities.
174. **Technical sustainability:** The process of identifying, seconding a beneficiary (apprentice) and nurturing him/her to become an independent entrepreneur involves five stages: (a) initial orientation for mind-set change, (b) business training for the beneficiary to develop and operate

a bankable business plan, (c) hands-on training through attachment to a mature enterprise, (d) linkage with fabricators of production and processing equipment; and (e) linkage with private extension providers. The design has also emphasized that most technical services will be outsourced to competent service providers and private sector extension services will be mainstreamed in the implementation process. This process confers technical sustainability to the LIFE-ND project.

175. **Environmental sustainability:** In regards to the issues of environment and climate change, LIFE-ND has incorporated the use of climate smart agriculture involving weather tolerant planting materials, climate resilient infrastructure, tree planting, productivity enhancing practices, and compliance with SECAP for all project activities especially those targeted at enhancing land access to women and youth. It is expected that increased agricultural productivity, combined with the use of environmentally friendly best practices, will limit expansion of land area and halt deterioration of the physical agricultural landscape (structure and texture of the soil).

Appendix 1: Country and rural context background

1. Nigeria is the most populous African country, with a population of 182.2 million people, which increases at 3 per cent per year²⁶. The population is young with approximately 105 million under the age of 35 (59 per cent). Nigeria covers 92.4 million hectares including land and water bodies. About 85 per cent of the total land area is cultivable and 40 per cent of the total is arable.

2. The country is also the biggest oil exporter in Africa, with the largest natural gas reserves in the continent. About 95% of export earnings and 70% of government revenue is derived from the oil and gas sector. The oil sector has been in decline since 2015, albeit at a slower rate than in the previous years. Owing to the falling oil prices, security concerns and policy uncertainty, the GDP growth rate fell from 6.7 per cent in 2014 to 2.7 per cent (from projections of 7.0) in 2015. 2016 growth is projected at negative 1.8 per cent. The Oil and gas GDP was estimated to have declined by 1.6% in 2013; 1.5% in 2014 and sharply to 11% in 2015. The 11% decline of oil contribution to the real GDP in 2015 was due to challenges in production occasioned by youth restiveness (WB report 2015). The development has reduced daily production since third quarter of 2014 by more than 40 per cent. This situation has posed major challenges to the country's external balance and public finances (MNPB 2015). Despite recent shocks, Nigeria's Gross Domestic Product (GDP) is the largest in Africa. GDP grew by 3.8 per cent on average from 2009 to 2014 as Nigeria became a middle income country. The GDP numbers indicate that telecommunications, real estate, manufacturing, construction, entertainment increased their shares of GDP. Agriculture contributed 21 per cent to Nigeria's GDP in 2015²⁷, but remains underdeveloped. Nevertheless, much lower oil prices will continue to pose strong challenges for public finance at all levels of government during the year, and will also represent a major constraint on the ability of the new federal government to launch some of its ambitious programs.

3. Nigeria ranked 152 out of 187 countries in Human Development in 2015²⁸. Unemployment of women and youth is particularly high (23.3 per cent and 41.6 per cent respectively in 2009)²⁹. Since 2005, approximately 20 million youth entered the country's labour market and unemployment of youth rose to 56 per cent by 2011 and remains critical³⁰. The focus on oil revenue and oil dominated economy exposed Nigeria to negative terms of trade; depressed development of other sectors and resulted in volatile growth. In the past two years, Nigeria has been in recession, caused mainly by a mono petro-oil economy, high import bills, marginal increase in local supply of agricultural commodities over increasing population growth, and over dependent on foreign goods. Of recent (2016 to date), the situation has degenerated to astronomical rise in food prices.

4. In general, unemployment, between 2007 and 2011 grew from 15.7 to 28.9 per cent, stunting affects 51 per cent of the population; and 9 per cent of children under five and 13 per cent of women of child bearing age suffer acute malnutrition in the northern part of the country. IFAD is jointly working with the government of Nigeria through the USD 100.4 million climate change adaptation and agribusiness support programme (CASP) to address the issue. In the Southern and Niger Delta region between 2007 and 2011 unemployment grew from 15.1 to 28.0 per cent and about 17 per cent of the population are faced with malnutrition; 5 per cent of children under five and 3 per cent of child bearing age women suffer from acute malnutrition.

5. **Rural poverty context:** Nigeria is predominantly a rural economy with over 60 per cent of the 182.2 million people living in the rural area. As at 2013, urban poverty rate is 12.6 per cent, while rural poverty is 44.9 per cent³¹. So, poverty in Nigeria is essentially a rural issue. 90 per cent of the rural people are engaged in agriculture as their source of livelihood. 70 per cent of the rural population are subsistence smallholders. 46 per cent of the arable land is cultivated, and 4.5 per cent of this land could be irrigated with available water. 95 per cent of agricultural land is untitled limiting users from accessing finance or investing in improvements. Agricultural production varies from region to region.

²⁶ WB World Development Indicators data, 2015

²⁷ WB World Development Indicators data, 2015

²⁸ The country's HDI of 0.504 is only just above the average for Sub-Saharan Africa. However, when the value is discounted for inequality, the HDI falls below the Sub-Saharan average (0.300 compared to 0.334) (UNDP Human Development Report, 2014).

²⁹ ILO data, 2015; NBS Annual Abstract of Statistics, 2012

³⁰ Samuels, Fiona et al., 2011

³¹ CPE

In the southern and Niger Delta region, production include on roots and tubers, bananas, cereals and tree crops including cocoa, oil palm, nuts and fruits; and is managed under smallholder agriculture system. Staples are produced for local markets and cash crops are sold through loose relationships with private traders. Insecurity affects the region, particularly in the Niger Delta where youth restiveness was renewed since 2015 due to lack of employment caused by limited economic opportunities.

6. Inadequate access to land and land tenure insecurity, private sector exclusion, lack of initial capital, lack of reliable market outlet and social perception of agriculture limit youth and women from engaging in agriculture to improve their livelihood³². The rural youth and women also suffer from limited alternative employment opportunities. Weak governance also contributes to higher rural poverty, notably in terms of inefficient local administration, corruption and inadequate involvement of the poorer segment of the society in political and resource allocation processes. Degradation of the environment is also a contributor to rural poverty. Smallholder productivity is progressively declining as a result of poor agricultural practices, over-grazing, and deforestation (estimated at 3.5% annually), exacerbated by the felling of trees for fuel wood as the main source of power for rural and peri-urban households. Productivity of the rural population is also hampered by ill-health, particularly HIV/AIDS, tuberculosis and malaria. According to the National HIV/AIDS Strategy Plan 2010-2015, Nigeria has about 6.2 million people with HIV/AIDS, yielding a prevalence rate of 4.4%. Despite this relatively low rate, Nigeria has one of the greatest numbers of people affected by HIV/AIDS in Africa. Of recent, the farmer-herdsmen conflict has generated fear among rural farmers, led to low productivity and production, and tended to exacerbate poverty.

7. Rural poverty is found to vary according to the education, gender of the household head, size of the family as well as women and youth in involvement in agribusiness. Larger families (with 20 or more persons) and households headed by persons with little or no formal education tend to have the highest poverty incidence, depth and severity. Farmers are fragmented and average landholding per family is less than 2 hectares. The majority of the rural poor are women. Culturally women and youth are unable to access land and agricultural water, while only a few are able to access production credit without the permission of their men folk/husbands. Access to land by women is extremely difficult and constrained by the culture of the people nationally. Women only obtain user-rights on a small portion of land through their husbands and other male relatives. Over 80% of women in rural areas make a living from small-scale agriculture enterprise with limited value addition. Productivity for most commodities is more than 30 per cent below potential due low uptake of improved technologies. Farmers are not connected to institutional markets or reliable market outlets leading to lose of over 40 per cent of their produce to decay. Little or no value addition exit to create enterprises that represent jobs and employment for youth and poor women. Increased poverty and youth unemployed have triggered migration to the western countries by rural youth and women with attended risk of drowning in large water bodies while crossing the African continent and engaging in illicit behavior in the foreign land.

8. **The Niger Delta context:** The region comprising 9 states with a population of about 20 million people presents an excellent mixed grill. This is a region enriched with enormous natural and human endowments, and endowed with rich agricultural heritage. It has the largest concentration of forest, tree crop resources and biodiversity in Nigeria. Being a rain forest with several water tributaries, it commands a significant position in the country's production of vegetable, fruit, root and tuber crops. Apart from the vast agricultural and huge aquatic resources, standing on its tributaries of various rivers and streams, the region has the largest deposit of oil and gas minerals on which the country's economy largely depends. It contributes 95 per cent of government earning and provides major source of wood materials for the nation. There is increasing depletion of the natural resources due to oil exploration, which leads to environmental degradation, low productivity, incessant water, air and land pollution, poverty and misery. Consequent, despite the abundant resources, the region poses the features of under-development and fragility associated with intermittent youth restiveness in the form social conflict, kidnapping for ransom, raping, armed robbery and other forms of social vices mainly due to and lack of decent means of livelihood for youth and women and increasing youth unemployment.

³² The FGN and the National Parliament are currently pursuing the amendment of the Land Use Act (1978) to improve on the thorny issue of land ownership and insecurity for the generality of smallholder farmers/producers, especially aimed at enhancing their land transactions, mortgages/sub-leases and use of land as collateral for loans.

9. **Policy context:** Government has recognized the need to diversify export earnings and alter its economic growth strategy. The challenging process of implementing reforms, caused mainly by poor business environment and private sector exclusion, was revitalized through a Roadmap developed in 2010 from the national vision 20:20 policy, which clearly outlines the government's strategy and actions for implementing comprehensive power sector reforms to expand supply, open the door to private investment and address some of the chronic sector issues hampering improvement of service delivery. Vision 20:20 has emphasises on private section-led economy, diversification of the economy, agricultural growth and employment creation.

10. The national development agenda, of the current administration under General Mohamad Buhari, which build on vision 20:20 is focusing on anti-corruption, economic recovery, employment creation and security. The government recently responded to the current recession and ailing economy with a focused economic recovery plan, which re-emphasised agricultural transformation following the value chain and private sector participation partway.

11. In line with the RB-COSOP, the LIFE Programme hinges on the Agricultural Promotion Agenda, otherwise called Green Alternative. The Green Alternative emphasises on four pillars: food security, job creation, import substitution and economic diversification. Effectively, the policy seeks to commercialize agriculture, develop agribusinesses, ensure private sector inclusion to create rural jobs. The government has also developed a youth and women inclusion policy which aims to target reducing discrimination; increasing inclusion; and access to resources, infrastructure, training and finance by women and youth. Other government policies which address rural poverty are (a) the Central Bank of Nigeria (CBN) initiated financial inclusion policies supported by IFAD-assisted RUFIN programme, which promotes guarantees, MFI capacity building and subsidized value chain finance for micro, small and medium enterprises; (b) the National Plan of Action on Food and Nutrition (NPAN), which targets access to quality food; consumer education and better market linkages to support food security; (c) the Agricultural Resilience Framework, which is a climate change adaptation and resilience framework to support agricultural and related practices in Nigeria. LIFE will build on the lessons of the government supported YEAP (youth empowerment in agribusiness programme), IITA youth enable programme and closed IFAD-assisted CBNRMP enterprise development initiative.

Location and basic facts

12. The Federal Republic of Nigeria comprising of 36 states and 774 Local Government Areas (LGAs) lies roughly between Latitudes 4° and 14°N and Longitudes 3° and 15°E. It covers a surface area of 923,769 km² which is 14% of the land area of the West Africa region. The country has 909,890 km² of land area and 13,879 km² of water area and ranked the fourteenth largest country in Africa (in landmass), first in population and GDP, and is among the most populous and fastest growing countries in the world. The population as at 2015 was estimated at 183.6million (i.e. about 15.4% of Africa's population and the tenth in the world) consisting mainly of children and youth of which 49.5 percent are women and 50.5 percent are men. The population is growing at 2.8% and population density is 201persons per square kilometer (ppkm²). Table 1 shows some basic facts about Nigeria.

Table 1: Some basic facts about Nigeria

Description	Amount
Total area (km2) ¹	923.769
Land Area (km2) ¹	909.89
Water area (km2) ¹	13.879
Population (million) ²	183.6
Population density (ppkm2) ²	201.7
Population Growth Rate (%) ²	2.8
Total fertility rate ⁷	5.5
Male population (%) 2015 ⁷	50.5
Female population (%) 2015 ⁷	49.5
Agriculture population (%) 2015 ⁴	48.8
Life expectancy (years) ²	52.9
GDP at current market price (USD-billion) ²	492.5

Description	Amount
GDP per capita (USD) ²	2,683.1
Real GDP growth (%) ²	2.8
Agriculture growth rate (%) ²	3.7
Unemployment rate rate (%) ²	10.4
incidence of poverty (2012) (%) ²	72
Agriculture % of GDP 2015 ³	20.9
Annual rate of deforestation (%) ⁸	3.7
Number of rural poor (million, approx.) 2014 ⁵	50.0
Total GHG emission (in CO2 eq) (million tonnes (Mt) in 2000 ⁶	214.21
Contribution of GHG from agriculture and LULUCF (%) ⁶	27
Mean temperature (oC) ⁶	27.2
Average changes in temperature (°C) ⁶	0.2

¹NBS (2012) : National Bureau of Statistics Annual Abstracts of Statistics 2012. <http://www.nigerianstat.gov.ng/library>

²CBN (2015): Central Bank of Nigeria Draft Annual Report 2015. Available at <https://www.cbn.gov.ng/Documents/cbnannualreports.asp>

³The World Bank (2016): World Development Indicators : Nigeria Available online at <http://data.worldbank.org/country/Nigeria> [10th November, 2016]

⁴United Nations (2016) World Statistic Pocketbook. New York: United Nations Publication. eISBN: 978-92-1-058230-8

⁵IFAD, <https://www.ruralpovertyportal.org/country/statistics/tags/nigeria>.

⁶Federal Government of Nigeria (2014): Nigerian Second National Communication Under the UNFCCC. Federal Ministry of Environment, Abuja - Nigeria

⁷NBS (2015): Demographic Statistics Bulletin 2015. Available at <http://www.nigerianstat.gov.ng/library>. Access 16 Arch 2017

⁸FAO (2011): State of the world's forest 2011. Food and Agriculture Organization of the United Nations Rome, 2011. Available at <http://www.fao.org>

Socio-demographics and health

13. Nigeria is still a growing nation with a total fertility rate (TFR) of 5.5 and a mortality rates which declined from 100 in 2004 to 58 in 2014 (NBS 2015). However, health issues continue to be a problem. The case rate of HIV in 2015 was 10.2 for male and 12.3 for female and the case fatality rates of was 4.2 and 11.5 for male and female respectively. Malaria remains a big issue with case rate of 58.8 men and 70.3 for women and a case fatality rate of 11.4 and 3.4 for men and women respectively. Life expectancy is estimated at 52.9 years. Poverty and unemployment are common. According to NBS (2016), the national poverty rate in 2009-2010 is 62.6% which is higher in the rural (69%) than urban (51.2) areas. The total number of poor is estimated at 102.2million people. The unemployment rate is about 10.4% and incidence of poverty (as at 2012) was 72% which is also higher in the rural than urban areas.

Climate and agriculture

14. Nigeria enjoys a wide range of climatic, vegetation and soil conditions which provide great potentials for agricultural production. Nigeria is covered by two major types of vegetation – the forest - consisting of mangrove and freshwater swamps and the tropical rainforest dominantly found in the south, and the Savannas - consisting of the Derived, Guinea, Sudan and Sahel savannas extending from the interface with the rainforest around Latitude 8° to the boundary with Niger Republic. Because of the spatial variation in climatic regime and vegetation and soil types, Nigeria is able to grow different types of crops including: cereals, roots and tubers, legumes, tree crops, fruits and vegetables.

15. Nigeria has about 712,000 km² of cultivable land out of which only 342,000 km² (48%) is actually being cultivated with less than 1% under irrigation. According to NBS (2016), in the production of primary crops for the period 2013–2015, cassava crop had the highest area cultivated for 2013 and 2014 with 6,718,490 ha and 6,458,435 ha respectively, while maize had the highest in 2015 with 6,771,189 ha. Sugarcane had the least area cultivated with 77,030 ha in 2013, 81,870 ha in 2014 and 84,320 ha in 2015. In terms of production quantity, cassava is highest for the three years with 54,023,150 tonnes in 2013, 56,328,480 tonnes in 2014 and 57,643,271 tonnes in 2015. Cottonseed had the least production quantity with 296,610 tonnes in 2013, 290,162 tonnes in 2014, and 401,441 tonnes in 2015. Growth in the agricultural sector has been limited by expensive agricultural inputs and limited access to credit, lack of mechanization and little use of fertilizer in agriculture. There are an estimated 98.1 million farmers in Nigeria in 2011, 90% of them are smallholders with production primarily oriented towards meeting subsistence needs (IFAD 2016).

16. Nigeria's environment and agricultural sector is under increasing threat from climate change. According to (FGN, 2014), Nigeria contributed about 214.21 million tonnes (Mt) of CO₂ equivalent (CO₂ e) of GHG to the atmosphere in the year 2000. The energy sector accounted for 70% of this while the agriculture and land-use and land-use change and forestry (LULUCF) sector accounted for about 27%. The observed climate indicates that temperatures in Nigeria have been on the increase in the last five decades and have been very significant since 1980s. The linear warming for the 30-year averages on a decadal slice reveals changes in temperature by an average of 0.2°C. Future projections for temperature suggest an increasing temperature and therefore a warmer climate. The inter-annual fluctuations observed in the annual rainfall over the country are high and are responsible for the extreme climate events such as drought and flood. The general trend indicates a decline in rainfall over the country although some locations may experience better rainfall than what has been

expressed over the country. Future projections also suggest increased rainfall and thus a wetter climate in the coastal areas while the rest of the country may experience rainfall decline.

Natural resource management

17. Nigeria is blessed with different ecosystems including the mangrove swamps and coastal wetlands, rain forest, inland wetlands, and the Savannas (see Table 2). Desertification is becoming more severe in the far north and gully erosion and flooding increasing in the north. It is estimated that 351,000 ha of the Nigerian landmass is lost to desert conditions annually.

Table 2: Major ecosystems of Nigeria

Ecosystems	Total geographic area (ha)	% of total geographic area
Rain forest	8,874,225	9.61
Mangrove swamps and other coastal wetlands	927,314	1.05
Freshwater and inland wetlands	18,641,000	20.18
Savanna: Derived, Guinea, Sudan, Sahel	44,883,510	48.53
Tree Crop Plantations	276,500	0.30
Fallow Vegetation (Farmland)	18,779,251	20.33
Total	92,376,800	100.00
Coastal-land & Marine (Exclusive Economic Zone –EEZ)	41,090,000	

Source: SEDEC Associates (2008): State of the Nigerian Environment Report, Federal Ministry of Environment and UNDP.

18. Nigeria's rate of deforestation was estimated at 3.7% in 2011 (FAO, 2011). According to IFAD (2016), about 410,000 ha of forest loss was recorded between 2010 and 2015 and 87% of wood removals used as fuel. These changes are expected to highly impact food production, water availability, and food insecurity, increasing the vulnerability of Nigeria's smallholder farmers since most agricultural production is rain-fed. By 2050, there are high probabilities of declines in yields in all cereals in all agro-ecological zones aside from millet and maize. Roots and tuber yields are more uncertain.

The Niger Delta

19. **Location:** The focus area of the LIFE-Niger Delta (LIFE-ND) is the nine (9) southern oil producing states of: Abia, Akwa Ibom, Bayelsa, Cross-River, Edo, Delta, Imo, Ondo and Rivers making up the oil producing region of Nigeria also referred to as the Niger Delta states. The region situated in the southern part of Nigeria and bordered to the south by the Atlantic Ocean and to the East by Cameroon, covers about 110,624 km² (12% of Nigeria's land area). The region consists of nine states with 184 LGAs. The South-South (Akwa Ibom, Bayelsa, Cross River, Delta, Edo and Rivers), South East (Abia and Imo) and South West (Ondo) geopolitical zones of Nigeria are represented in the Niger Delta States (see Map 1). Cross River State is the largest of the states with a landmass of 21,787 km², followed by Edo 19,187 km², Ondo 15,820 km², Rivers 10,575 km², Bayelsa 9,059 km², Akwa Ibom 6,900 km², Imo 5,288 km² and Abia 4,900 km² in that order.

20. **Population:** The total population of the nine states in the Niger Delta in 2006 was 31,267,901 consisting of 15,847,359 male (51%) and 15,420,542 (49%) female. The estimated population for the region as at 2011 was 36,515,429 (NBS 2012). Rivers State has the highest population estimated at 6,162,063 in 2011 followed by Delta 4,825,999, Akwa Ibom 4,625,119, Imo 4,609,038, Ondo 4,020,965, Edo 3,700,706, Cross River 3,344,410, Abia 3,256,642 and Bayelsa 1,970,487 in that order. Like the rest of the Nigeria, the Niger Delta states consists mainly of young and growing population with 62% below the age of 30 years (NDRMP ***). The population density is about 30.1 ppkm² which is far higher than the national average of 201.7 ppkm². Imo state has the highest density at 871.6ppkm² followed by Akwa Ibom 670.3, Abia 664.6, Rivers 582.701, Delta 282.1, Ondo 254.2, Bayelsa 217.5, Edo 192.9 and cross River 153.5 respectively. Table 3 summarizes the basic facts of the Niger Delta States.

Table 3: Basic facts about the Niger Delta states

State	No of LGAs	Land Area (km ²)	Population 2006***		Population (projected 2011)***	Density	TFR****	Public pry sch enrolment (2014)**		**Projected HIV population (2014)	Unemployment rate***	
			male	female				male	female		2007	2011
Abia	17	4,900	1,420,298	1,415,082	3,256,642	664.6208	4	100,879	97,600	81,853	25.1	11.2
Akwa Ibom	31	6,900	1,983,202	1,918,849	4,625,119	670.3071	4	448,032	479,062	245,489	18.0	18.4
Bayelsa	8	9,059	874,083	830,432	1,970,487	217.5171	6.7	61,647	61,739	30,858	21.9	23.9
Cross River	18	21,787	1,471,967	1,421,021	3,344,410	153.5048	5.8	101,402	95,538	83,596	32.8	18.2
Delta	25	17,108	2,069,309	2,043,136	4,825,999	282.0902	5.3	187,825	95,538	34,717	22.9	27.2
Edo	18	19,187	1,633,946	1,599,420	3,700,706	192.8757	5.3	170,998	451,984	22,821	14.8	35.2
Imo	27	5,288	1,976,471	1,951,092	4,609,038	871.6033	4.6	718,141	672,039	93,822	28.3	26.1
Ondo	18	15,820	1,745,057	1,715,820	4,020,965	254.1697	3.9	629,257	630,543	49,281	6.7	12.5
Rivers	23	10,575	2,673,026	2,525,690	6,162,063	582.701	4.3	128,438	130,845	121,351	66.4	25.5
Region	185	110,624	15,847,359	15,420,542	36,515,429	330.086	4.878	2,546,619	2,714,888	763,788	26.3	22.0
Nigeria	774	909,890	71,345,488	69,086,302	183,600,000 in 2015 *****	201.7826	5.5	12,145,968	10,983,959	3,070,174	12.7	23.9

**NBS (2016): Social statistics report 2016. Available at <http://www.nigerianstat.gov.ng/library>. Access 16 March 2017

***NBS (2012): National Bureau of Statistics Annual Abstracts of Statistics 2012. Available at <http://www.nigerianstat.gov.ng/library> Access 16 March 2017

****NBS 2015 Demographic Statistics Bulletin 2015. Available at <http://www.nigerianstat.gov.ng/library>. Access 16 March 2017

21. The Niger Delta is a growing region with an average total fertility rate (TFR) of 4.8 which is lower than the national average of 5.5. However, Bayelsa and Cross River have TFR higher than the national average, while Edo and Delta have TFR higher than the region's average. The other states - Abia, Imo, Akwa Ibom, Ondo and Rivers - have TFR that is lower than the region's average. The total children enrolment into public primary school as at 2014 stood at 5,261,507 (23% of national enrolment) with males accounting for 48% and female 52% (NBS 2016). Imo and Ondo states accounted for the highest public primary school enrolment with over one million children each. Bayelsa, Abia, Cross River and Rivers in that order accounted for the lowest figures. The projected population of HIV population as at 2014 stood at 763,788 (i.e. 25% of the total national projected population for HIV). Akwa Ibom has the highest with 245,489 and Edo has the least with 22,821 people. The average unemployment rate for the region declined from 26.2% in 2007 to 22% in 2011 (while the national unemployment rate increased from 12.7 to 23.9% within the same period) (NBS, 2012). However, states such as Edo, Ondo and Bayelsa recorded increase in unemployment rates within the period by as much as 20.4% for Edo.

22. **Land and People.** The very rich culture and heritage of the region is based on the presence of about 40 different ethnic groups speaking 250 languages and dialects (NDRMP**). The numerous ethnic groups include Ijaws, Ogonis, Ikwerrres, Etches, Ekpeyes, Ogbas, Engennes, Obolos, Isoko, Nembes, Okrikans, Kalabaris, Urhobos, Itsekiris, Igbos, Ika-Igbos, Ndoni, Oron, Ibeno, and Yorubas, Ibibios, Annangs and Efiks. Other groups include Ibibios, Anang, Efiks, Bekwarras, Binis, etc. The heritage of the people is reflected in modes of dressing, marriages, traditional culture and festivals. These ethnic groups have co-existed and peace and harmony for a very long period.

23. Land, in relation to the population, is relatively scarce in the Niger Delta Region especially in the lower interiors that consists of creeks and inlets. As the population increases, the pressure on land for all purposes including agriculture increases accordingly. The highest pressure on land is in the coastal mangrove vegetation zone with a population density of 0.46 ha/person followed by the derived savannah zone with 0.49 ha/person (NDRMP**).

24. Like the rest of the nation, the people of the Niger delta region face the challenges of access to land. The ownership of land in Nigeria by virtue of the Land Use Act 1978 is vested in the governor of the state. Only usufructuary right is granted to the citizens (by the governor of the state) through certificate of occupancy (in urban area) and statutory or customary right of occupancy (for rural lands). The typologies of access to land available in the Niger Delta region include individual holdings from family inheritance or purchase from communal or other family land; family land derived from communal holding of the progenitor; communal land owned by the community; and customary tenure where family or community grants a right of occupation of land to another person or group of persons who are usually strangers or immigrants to live in or farm in return for which they acknowledge the title of their grantor by the payment of customary tribute which may be in cash, kind or both.

25. These land holdings typologies are fraught with danger of social exclusion and lack formal title on holding. Most of the land owned by individuals, families or communities in rural areas have no statutory or customary right of occupancy. This limits agricultural investment to improve and equip the land. The risk of being 'pushed-off' land is also high, and the land cannot be used to secure access to credit to improve productivity. Again, among the Ibos where inheritance is primogeniture the possibility of exclusion of women and youth from access to land is very high. The government also has lands which have been acquired lands for agricultural purposes. But access to the lands may be cumbersome due to government bureaucracy. It can also contentious because community can block physical access to the land or make life difficult for land users where compensation has not been paid on the land. It is also subject to political wills and caprices.

26. The land situation in the Niger Delta region especially in the coastal interiors is particularly contentious. By nature, 50% of the lands in the interior Niger Delta is not workable due to the edaphic and physiographic limitations imposed by drainage. Secondly, while the land-use Act of 1978 cemented state government ownership of the land, the Petroleum Act of 1969 and other mineral Acts, through the principle of 'eminent domain', placed all minerals and its exploration in the hand of the Federal Government. Thus, all the lands in the southern interior including agriculturally productive lands have been parcelled into Oil Prospecting Leases (OPL) which becomes Oil Mining Leases (OML) once oil has been found on the land. Thus, oil exploration activities on productive lands and its concomitant externalities drive the local population to the margin of survival. This is the root cause of resource conflicts in the Niger Delta.

27. **Environment.** The Niger Delta region consists of a wetland area which has been estimated at 1,794,000 ha consisting of 617,000 ha of saline and 1,177,000 ha of freshwater swampland (NEST, 1991). The region has a rich and diverse mosaic of ecological types. Five distinct ecological types can be identified and these are: the barrier island and mangrove and coastal vegetation, fresh water swamp forest, lowland rain forest, derived savanna and the montane forest. All the ecosystems are found in gradients from the coast to the hinterland in each of the states with the exception of the montane ecosystems that is localized to the northern part of Cross-River state.

28. There are 12 important bird areas (IBA) in the Niger Delta area. These include Obudu Paltuea, Afi River Forest Reserve, Okomu national park, Cross River national park (oban division) crossriver national park (okwango dicvision), and Upper orashi forest reserve. Others are Biseni forest, Akassa forest, Sunvit Farms (Agenebode Forests), Ebok-Kabbaken swallow root and Itu wetlands. This is in addition to other protected game reserves (Table 4).

Table 4: Some protected areas in the Niger Delta region

Name	State
Cross River National Park	Cross River
Obudu Game Reserve	Cross River
Okomu National Park	Edo
Gilli Gilli Game Reserve	Edo
Kwale Game Reserve	Edo
Ofosu Game Reserve	Edo
Ologbo Game Reserve	Edo
Iybi-Ada-Obi Game Reserve	Edo
Orle River Game Reserve	Delta
Ologolo-Eriourho Game Reserve	Delta
Ifon Game Reserve	Ondo

Source: SEDEC (2008)

29. **Oil and gas exploration.** Oil is the major non-renewable natural resource of the Niger Delta region. The oil sector presently constitutes the backbone of the Nigerian economy. This has exerted tremendous impacts on the fragile ecosystems of the Niger Delta. According to the CBN report, as at 2015, the gross revenue from oil stood at N3,830.1 billion, (i.e 4% of GDP, a decline of 13.9% in 2011), representing 55.4% of total federally-collected revenue. Despite the decline in crude oil export, it remained dominant, accounting for 78.3% of Nigeria's total export while gas export constituted 14.2%. This means the oil sector constitutes 92.5% of Nigeria's total export in 2015. According to the NDRMP document, as at 2004, there are 5,284 oil wells drilled in the Niger Delta region. In addition, there are 257 flow stations for crude processing, over 7000km of oil and gas pipeline, 10 export terminals, and about 310,000km² of land area within which the network of pipelines are located.

30. Known impacts of oil spill in the Niger Delta region according to NDES (1997) and UNEP (2011) include:

- Mass mortality and or tainting of animals as well as other aquatic resources
- Ground water contamination
- Abandonment of fishing ground and associated livelihood pursuits
- Vegetation desiccation and other forms of ecological damages
- Loss of biodiversity in breeding grounds
- Loss of drinking and industrial water sources
- Reduction of land area available for agriculture
- Loss of recreational facilities and aesthetic values of the environment
- Increased economic burdens of pollution clean-up, population rehabilitation
- Impairment of human health
- Worsened rural underdevelopment, poverty and heightened community embitterment
- Gas flaring
- Pipeline fires
- Youth restiveness and loss of social and cultural cohesion
- Emergence of local bourgeois through selective gratification which produce powerful minority who become rich at community and environment expense
- Illegal bunkering and refining activities.

Appendix 2: Poverty, targeting and gender

A. Population

1. Nigeria is Africa's most populous country, with an estimated population of 186,053,386 which is projected to 392 million in 2050 (the World Fact Book, 2016). 49.5% of the population are female (80.2 million girls and women) and males 50.5%. The country is composed of more than 250 ethnic groups with the most populous being: Hausa and the Fulani 29%, Yoruba 21%, Igbo (Ibo) 18%, Ijaw 10%, Kanuri 4%, Ibibio 3.5%, Tiv 2.5%. About 50% of the population is Muslim, 40% Christian, and 10% indigenous beliefs. Nigeria has a young population. Almost half of the population (46%) is under age 15. In 2012, the Nigeria National Bureau of Statistics (NBS) estimated that the population of youths (15 – 35 years) to be 64 million where females were 51.6%. There are more females than males in all age groups except in the age group 15 - 19 where the females were recorded as 47.2%. Lagos State had the highest percentage of youths in Nigeria (6.1 per cent) followed by Kano state (5.7 per cent) while Bayelsa State had the lowest (1.3%). Out of the group of married youths, 68% were female, while 32% were male. Table 1 shows the percentage distribution of youth aged between 18-35 years by sex while Table 2 shows the general population by gender in LIFE participating states.

Table 1: Percentage distribution of youth (18 - 25) by age group and sex			Table 2: Population by gender in LIFE participating states		
Age group	Male (%)	Female (%)	State	Male	Female
18-20	49.2	50.8	Abia	1,430,298	1,451,082
21-25	44.9	55.1	Akwa ibom	1,983,202	1,918,849
26-30	45.6	54.4	Bayelsa	874,083	830,432
31-35	49.1	50.9	Cross-Rivers	1,471,967	1,421,021
National	47.2	52.8	Delta	2,069,309	2,043,136
Source: National Bureau of Statistics, 2012			Edo	1,633,946	1,599,420
			Imo	1,976,471	1,951,092
			Ondo	1,745,057	1,715,820
			Rivers	2,673,026	2,525,690

2. According to the Demographic and Health Survey (DHS), 2013, Nigerian households consist of an average of 4.6 people with 19% of households being headed by women. Life expectancy for men is 53 years and 56 for women. However females are more affected by HIV/AIDS at 63.5% compared with 36.5% reported for males, between 2010—2013, (NBS, 2014). In Nigeria, Primary school enrolment for girls increased 47.9 % in 2013 from 45.7 in 2010 but the rate for boys decreased from 54.3% in 2010 to 53.1% in 2013. Completion rate for girls in primary and secondary schools dropped slightly from 46.7% and 47.1 % in 2010 to 46.6% and 46.8% in 2013 respectively. Enrolment in tertiary level is dominated by males on the average. In terms of work related indicator, the national labour force participation rate of women and men aged 15-64 years was 67.4%. Men's proportion was 70.3% and women accounted for 64.5%. On average 65.5 % of senior positions in the Stat Civil Service were occupied by men compared to 35.5% women (2010 – 2013). Adult illiteracy rate for women aged 15-49 years was 53.1% while the corresponding rate for men was 75.2% (NPC & ICF International, 2014).

3. **Human Development Index:** Nigeria's HDI value for 2014 was 0.514 putting the country in the low human development category, positioning it at 152 out of 188 countries and territories. Life expectancy is placed at 52.5 years. Adult illiteracy rate for women aged 15-49 years was 53.1% while the corresponding rate for men was 75.2%. Between 2005 and 2014, Nigeria's HDI value increased from 0.467 to 0.514, an increase of 10.1% or an average annual increase of about 1.07%.

B. Poverty

4. The economic conditions of Nigeria, with respect to income and national output has increased in recent years resulting in Nigeria being one of fastest growing economies in the world and the largest economy in Africa (UNDP, 2015). Despite the fact that the economy is growing, the proportion of Nigerians living in poverty is increasing every year. Economic growth has not been associated with poverty reduction and unemployment has not abated. At the household level, progress is less visible

as unemployment, poverty, violence and other threats to day-to-day existence appear to have deepened or at least persisted (ibid). Nearly half of Nigerians live below the national poverty line, and those in the agricultural sector face even higher poverty levels (World Bank 2014). According to the NBS' Poverty Profile (2010), subjective poverty measure shows that the core poor constitutes 46.7%, moderate poor 47.2% while the non-poor make up 6.1%. Relative poverty headcount has significantly increased since 1980 as shown in Table 3.

5. The NBS (2013) indicated that about 112 million Nigerians live below the poverty line. More than 80% of urban households have electricity compared with only one-third of rural households. Overall, six in ten households have access to an improved source of drinking water.

Table 3: Relative poverty headcount from 1980-2010				Table 4: Poverty by state						
Year	Poverty incidence (%)	Estimated population (million)	Population in poverty (million)	Food poverty		Absolute poverty		(Relative poverty) ³³		
				Food poor	Non poor	Poor	Non poor	Poor	Non Poor	
1980	27.2	65.0	17.1							
1985	46.3	75.0	34.7							
1992	42.7	91.5	39.2							
1996	65.6	102.3	67.1							
2004	54.4	126.3	68.7							
2010	69.0	163	112.47							
Source: National Bureau of Statistics. HNLSS 2010										
				State						
				Abia	30.5	69.5	57.4	42.6	63.4	36.6
				Akwa Ibom	35.6	64.4	53.7	46.3	62.8	37.2
				Bayelsa	23.3	76.7	47.0	53.0	57.9	42.1
				Cross River	46.4	53.6	52.9	47.1	59.7	40.3
				Delta	42.8	57.2	63.3	36.7	70.1	29.9
				Edo	39.4	60.6	65.6	34.4	72.5	27.5
				Imo	33.3	66.7	50.5	49.5	57.3	42.7
				Ondo	36.1	63.9	45.7	54.3	57.0	43.0
				Rivers	26.3	73.7	50.4	49.6	58.6	41.4
				Source: National Bureau of Statistics, Poverty Profile 2010						

6. The agriculture sector remains mostly small-scale and subsistence-based, with relatively low levels of commercialization.

7. **Gender dimension of poverty:** Given the different roles, status and entitlements, poverty has a gender dimension with women being at a disadvantage. As described in section C, women are disadvantaged in many areas (relative to men). This has contributed to high poverty levels among women. The National Bureau of Statistics indicates that women form 65% of the population living below poverty line against 35% for men.

C. Status of women and gender issues

8. Gender equality and empowerment of women is crucial as evidence demonstrates that in economies where gender equality is greater, there is not only higher economic growth but also a better quality of life. Rural women in Nigeria, as in many African countries, face constraints which hamper their productive potential. There is a pronounced gender gap in access to resources such as finance and agricultural assets, as well as access to technology, and marketing channels. The household division of labour between women and men is also not equal. Women contribute a substantial proportion of agricultural labour but do not get equal wages. Rural women have little ownership of land and while they constitute 60-79% of the rural work force, men are five times more likely to own land than women (British Council, 2012). Women's access to resources and participation in agriculture is still largely mediated through their male relatives, mainly fathers or husbands. Decision making power is also limited for most Nigerian women. According to the DHS 2013, nearly half of women have sole or joint decision making power about visiting family or relatives, while only 38% participate in decisions about major household purchases. Nearly four in ten married women participate in decisions about their own health care. Half do not participate in any of the three decisions and less than one-third reported that they participate in all three decisions. 47% of Nigerian

³³ Moderately poor based on 2/3 of the weighted mean household per capita expenditure regionally deflated

women are mothers before they reach 20. Up to one third of Nigerian women report that they have been subjected to some form of violence. One in five has experienced physical violence.

9. Income inequality in the formal sector has grown since 1999 with women in formal employment being paid less than men. Only one in every three employees in the non-agricultural formal sector is a woman. Regardless of their educational qualifications, women earn consistently less than their male counterparts. In some cases they earn less than men with lower qualifications. Women occupy fewer than 30% of all posts in the public sector and only 17% of senior positions. In the political domain, women's representation in parliament dwindled from 2007 (NBS, 2011; UNDP, 2015). Women fair worse off than men in the key indicators namely health, education (including tertiary enrolment as well as power and decision making as demonstrated in Table 5.

Table 5: Selected indicators by gender

Indicators	Male	Female	Difference
<i>Population & Families</i>	%	%	%
1. Population 2006	49	51	2
2. Early Marriage	7.2	92.8	85.6
<i>Health</i>			
3. Percentage living with HIV/AIDS (est. 2010)	44.3	55.7	11.4
4. Life Expectancy (HDR 2008)	48	52	4
<i>Education</i>			
5. Youth Literacy in Any Language	86.0	79.0	7
7. Adult Illiteracy	31.5	40	8.5
8. Primary School Enrolment (2010)	53.4	46.6	6.8
9. Secondary School Enrolment (2010)	54.2	45.8	8.4
10. Tertiary Enrolment:			
NCE (2009)	51.1	48.9	2.2
Polytechnic (2010)	72.3	27.7	44.6
University (2010)	61.6	38.4	23.2
<i>Power and Decision Making</i>			
11. Parliamentary Seats both houses (INEC)	93.6	6.4	87.2
12. State House of Assembly (INEC 2011)	94.5	5.5	89
13. Permanent Secretaries (MDAs 2010)	96.5	3.5	93
14. Directorate (MDAs)	90.8	9.2	81.6

Source: NBS, 2011

D. Gender gaps in agriculture

10. In Nigeria, both women and men are involved in agriculture. It is estimated that rural women in Nigeria, more than their male counterparts, take the lead in agricultural activities, making up to 60-80 percent of labour force (Merit Research Journals; 2014). Unfortunately the contributions of women in agriculture are grossly undermined despite the fact that they are suppliers of labour, food crop and livestock producers, processors of food and fish products, marketers of peasant farm surplus and transporters of farm supplies and farm products between the farm and the home. A World Bank study (2014) found that women farmers consistently produce less per hectare than their male counterparts. In southern Nigeria, when simple averages are compared, plots managed by women appear to produce substantially less (in terms of gross value of output) per hectare than plots managed by men. The findings suggest that if women in the south had similar quantities of productive factors to men's, they could produce just as much and the gender gap might disappear (World Bank, 2014). It further showed that male farmers in the south deploy more labour on their plots than female farmers which accounts for the gender gap in the South. The gap is further widened by the fact that women use less herbicide per hectare compared with men, and this imbalance further widens the gender productivity gap in the south. Gender responsive inclusive agricultural growth in Nigeria would therefore benefit from: i) helping women overcome their labour disadvantages by facilitating their use of farm labour and labour-saving approaches; ii) expanding female participation in commercial agriculture iii) ensuring equitable ensuring that women access and use similar quantities of inputs, including labour and herbicides.

11. Though many women are involved in subsistence agriculture and off farm activities, men are five times more likely than women to own land. Women own 4% of land in the North-East, and just over 10% in the South-East and South-South. Land ownership and land tenure give women security and provide a key to access other resources and opportunities. Without land title, it is hard for women to raise the finance they need to start productive enterprises. One in every five businesses is run by a woman but they are constrained by lack of capital and have to rely on savings.

12. The consequences of gender inequality include undermining the potential contributions of women who constitutes almost 50% of the population, to economic development. The Agriculture Promotion Policy (2016 – 2020) recognizes that implementation of policies do not do enough to ensure inclusion of women in agriculture or address gender inequalities in agriculture, such as, gender biases in access to land where women face more difficulty accessing land than men. It therefore seeks to: develop and launch entrepreneurship platforms that create a pathway for youth and women to enter agribusiness economy; review the subsisting gender policy document with a view to improving the implementation activities; expand training of key leaders and influencers across FMARD to ensure gender / youth considerations integrated into decision making; expand capacity building for women and youth for entrepreneurship, including technical training and access to financial services; facilitate dialogue with farmer groups and service providers (for women and youth) to expand pool of ideas FMARD can pursue to institutionalize change. The LIFE project contributes to the fulfilment of most of these aspirations.

13. To address the gender gaps and enhance empowerment of all household members, the LIFE project will use gender action learning system (GALS). This methodology is described elsewhere in this report. The project will enhance women's economic independence which is an essential dimension of women's empowerment.

E. Status of Youth

14. National Youth Policy (2009) defines youth in Nigeria as all young males and females aged 18 – 35 years, who are citizens of the Federal Republic of Nigeria. LIFE project has adopted this definition and will target young women and men of this age bracket. According to the Nigeria Bureau of Statistics 2012, the population of youths in the age bracket of 15 to 35 years was estimated at 64 million with 51.6% being females. 64.1% of youth aged 15 to 19 were in school while 21.3% had never been to school. For age group 20 to 24 years, most had been to school (23.2) while 20.2% had never. The National Population Commission (NPoC, 2013) states that youth make up about half of the population in Nigeria (15 to 34 years). Unfortunately, as the youth population grows, so does the unemployment rate. It is estimated that since 2005, approximately 20 million young people entered the country's labour market; youth unemployment reached 56% in 2011 and remains critically high. Unemployment is particularly high among women and young people, reaching 23.3% and 41.6% respectively, in 2009. The rising joblessness and under-employment among young people in Nigeria is accompanied with social ills among them: involvement in crime, drug and alcohol abuse, and loss of confidence in the larger society. In terms of age, younger youth struggle even more to find jobs with at least two-thirds of unemployed youth being between 15 and 24 years of age. And in terms of gender, available statistics show that a majority of unemployed youth are female. As shown in table 6, women accounted for more than 50 percent of unemployed youth between 2008 and 2012.

15. The Centre for Strategic and International Studies (2014) ranks Nigeria lowest among 30 countries in the Global Youth Index³⁴. Despite the challenges in the national environment, Nigerian youth report a generally positive outlook and particularly high optimism in economic opportunity. In the agriculture sector, more than 37% of youths (48.4 % males and 51.6% females) are engaged in agriculture.

³⁴ The rankings are scored between 0 and 1, with 1 being the highest. Scores are given across six domains of youths' lives: citizen participation, economic opportunity, education, health, information and communications technology, and safety and security. The overall score is a weighted composite of the 6 domain scores. The domains are comprised of 40 indicators encompassing the enabling environment in which youth live and participate, youth outcome specific indicators, and youths' outlook and satisfaction with their own wellbeing. The results are broken into four performance based tiers- high, upper-middle, lower-middle, and low.

16. The Niger Delta region has been characterized by youth restiveness as a result of the deprivation of lands and environmental degradation due to oil producing activities, which leaves the oil producing communities no farming land and fishing waters. The youth restiveness and disturbance in the oil producing communities could also be traced to the large number of uneducated, unskilled and unemployed youths who are aware of the large amount of money being made from their ancestral lands, yet largely remain poor with limited employment opportunities (D.O. Arubayi, 2010).

17. Under-employed rural young people, particularly those who are frustrated and idle because they have failed to find decent jobs after migrating to urban centres, contribute to social unrest, crime and even armed conflicts. Initiatives that improve the opportunities for young people to take part in decent agricultural and non-agricultural work provide larger benefits for social harmony, as well as for food security and poverty reduction. Jobs in the agricultural sector are typified by low pay, low levels of productivity, underemployment, dangerous work and no social protection. Thus, the issue is predominantly the availability of decent work, rather than lack of work. There is also the challenge of perception of drudgery of the agriculture sector by young persons. Many young people further lack experience and knowledge of how markets work. They often lack business, management and entrepreneurial skills, and like many other smallholder farmers, they lack information about prices.

18. Young women frequently have fewer opportunities than young men to benefit from education, training and productive agricultural employment. This is the result of traditional gender patterns in the allocation of household labour, career choices, early marriage and motherhood, and restrictions on their movement in some societies. Consequently, many women are extremely constrained in terms of the employment opportunities that are open to them; and when they are involved in off-farm employment, women tend to be engaged in less skilled and less financially rewarding jobs.

Table 6: National youth unemployment figures by gender (2008-2012)

Year	Unemployed youth that are female (%)	%age of Unemployed youth that are in rural areas
2008	58.50	54.68
2009	57.82	50.77
2010	54.52	47.59
2011	50.85	59.95
2012	55.42	53.25

Source: NISER, 2013

19. While agriculture offers an opportunity to create employment and wealth, young women and men face several constraints to participate and thrive in this sector. These include access to land, credit, extension services as well as linkages to the market. It is recognized that young women experience unemployment more frequently than their young male counterparts and tend to have fewer occupational opportunities (the National Youth Policy, 2009). The increasing number of early marriages (estimated at 92.8% for females) and teenage pregnancies recorded across the country is also an indication that young women require specific support measures in this regard. Many young women have also been victims of sexual harassment, physical violence and abuse, labour exploitation, gender discrimination, as well as negative attitudes and practices.

F. Targeting Mechanism

Geographic targeting:

20. The project will be implemented in the Niger Delta region. IFAD support will be focused in six of nine states of the region. Selection of IFAD supported states is based on criteria that consider: (a) poverty levels and (b) tangible political commitment to invest in smallholder agriculture, community development and rural youth and poor women. The six states are: Ondo, Cross-River, Edo, Abia, Delta, and Bayelsa.

21. Within the state, selection of beneficiaries will be at village level. Participating LGAs will depend on dominance of the priority commodity and enterprises selected for the state on the basis of results from the baseline survey. Participating LGAs will have institutional structure to support LIFE.

Target group

22. The target group for IFAD–LIFE will be in three categories: i) incubators ii) potential incubators; and iii) apprentices. The apprentices form the main target group and will be composed of youth (aged 18 - 35 years) and women headed households with children under the age of 15 who are actively engaged in agribusiness. This is based not only on the high numbers of youth population but also on the constraints and challenges facing women and youth in general, and particularly in agri-entrepreneurship. Within the 'youth' target group, there will be consideration of gender differences aiming at 50:50 participation between young women and young men. This group will be selected at village level based on the criteria highlighted in box 1.

Box1: Youth Targeting Criteria

- a. Expression of interest to be endorsed by a community institution: as an investment project, screening and selection of applicants, will be handled by a competent and credible service provider, with the involvement of community institution, youth in agriculture organization, women group, government representative and CSO
- b. Persons between the age of 18 and 35 years,
- c. Clarity in the enterprise of applicants choice/interest
- d. Comfort Letter from 2 credible guarantors in the community
- e. Undertaken to keep to the code of conduct of the incubation model, which include (i) no side-selling of produce – all sales to go through an out-growers model; (ii) no fighting on the job, and (iii) no stealing/pilfering
- f. Based on the level of social risk and opportunities available to them as appear in the Table 2, Beneficiaries selection will be in the proportion of 60 percent male youth and 40 percent female youth

23. **The incubators and potential incubators** participating in the project will not be limited by age or gender. A mapping of these groups will be carried out under component 1 based on the level of their i) market linkage ii) adoption of out-grower model, iii) performance of trainings under their incubation. The **incubators** will be selected among those that have strong marketing linkages with at least 60% of their produce sold to buyers outside their LGA. Their produce is sold to about 5 buyers. This group is already implementing out-grower model and some are in the process of diversifying from captive farming to out grower model. Their business model has included training of potential out growers for at least 2 years evidenced by more than 50% of trainees having started their own production and supplying to the incubator or selling independently. **Potential incubators** are those selling mainly in the local market (within the LGA) in spite of existing market at state level and beyond. Any training that they conducted occurs at random without concrete planning. However, they have potential for developing an out-grower based model and graduate to incubator model in 2 years. They may have 20-50% of their trainees starting own production. Most of their agribusiness fall into category that may already be uncompetitive and may therefore experience market marginalization. It is important to note that selection criteria was based on the evidence from design mission's field visit as well as lessons from other initiatives including CBNRMP.

24. **Support to target group:** LIFE will facilitate youth and women agripreneurs to: i) have better access to markets to take advantage of the opportunities arising along the agribusiness value chain; ii) strengthen capacity in enterprise development through training, incubation, mentoring, business networks and associations; iii) address gender differences, and especially enable more female youth to participate in agribusiness; iv) support linkages for financing mechanisms and markets.

Gender Strategy

25. **Gender Action Learning System (GALS):** GALS is one of the most comprehensive of the household methodologies. It is an innovative approach aimed at ensuring gender equality and social inclusion. The methodology is proven to increase impacts when mainstreamed to agricultural/rural development operations. Household methodologies are participatory approaches used to promote equitable intra-household relations, fair division of labour and shared decision-making processes. Experience with the methodology has demonstrated deeper and more sustainable improvements in rural livelihoods through ownership, high quality of beneficiary participation, empowerment, and sustainability plan, among others. Initially piloted in Uganda in 2009, the methodology has now expanded through IFAD supported interventions to other countries including Rwanda, Nigeria, Sierra

Leone and Ghana among others. In Nigeria, GALS have been implemented through Rural Finance Institution Building Programme (RUFIN). Lessons from RUFIN experiences will inform implementation in LIFE. RUFIN started implementing GALS in 2012 as an outcome of the Learning Routes to Uganda and Rwanda. Box 2 highlights lessons from RUFIN.

Box 2 Lessons on GALS from the RUFIN Programme

- Undertaking and promoting GALS activities in the implementation of rural finance programme do not only contribute to improved money management knowledge but build the capacity of the beneficiaries especially women to effectively access and use financial resources;
- Gender relation can change immediately especially when couples participate in the GALS learning process together;
- Joint plan and harmonious relation at household level enhances livelihood, increases productive and savings. This was drawn from the **testimonies** of men who were made to make positive changes (cut in alcoholism, share household work as well as hold joint decision-making with their family members).
- Investing in gender equity smoothen both gender relation and role such that livelihood activity benefit both women and men;
- Improved gender relations significantly influences savings in households and ensure that women benefit from financial services thereby providing opportunities for greater financial inclusion for women

26. **GALS implementation mechanism:** The entry point for mainstreaming and rolling out of GALS will be the enterprise group and other networks. The process will be guided by the steps outlined below:

- **Awareness creation and selection of participating groups:** Implementation of GALS will start with 2 groups per LGA in the six participating states.
- **First exposure to the methodology: a learning route or a learning event:** This will be aimed at understanding and first immersion into the methodology for project and other project implementers. The output is an action plan to launch and implement the process in the project or country portfolio.
- **Change catalyst workshop:** This provides a deeper understanding of principles and tools of the methodology and train the first “trainers” (at community level) and facilitators (at project/country level). This will be done with support of experienced practitioners and facilitators. Actions plans are defined by participants to implement and scale-up the methodology.
- **Implementing the process:** The trained facilitators will then train project participants using the enterprise groups as entry point.
- **Monitoring, learning and knowledge sharing: a participatory gender review**
Results, changes and achievements will be captured by group members themselves. It is important to note that most of the tools used in GALS such as the Visioning tool are used both as planning but also monitoring tool.
- **Advancing the process: market access and livelihood development tools**
Advanced tools will be availed to groups for sustainable results and changes, further develop livelihoods and secure market access for sustainable poverty reduction and social inclusion.

27. The infrastructure development in component 1 will go a long way in alleviating women’s time poverty. In particular, the water infrastructure will include multipurpose water points where women can access water for domestic and other use including for kitchen gardens to cater for their household food related roles. It is important to note that unless these measures are taken up by the project, women will have limited time to devote to the project activities – hence having a negative outcome to their livelihood but also affecting the project outcome. While the main target group for the LIFE project are youth and women, special care will be taken to ensure that within the ‘youth’, young women will have equitable opportunities with the young men to participate and benefit from the project. Such considerations will include: i) distance to the incubation centre ii) timing of training at the incubation iii) where required, flexible training arrangement.

28. While seven commodities have been selected in LIFE, the project will also consider additional 2 opportunity commodities that have youth and women appeal for income, job creation and nutrition,

such vegetables, fruits and honey production, processing and marketing. Such commodities may include cassava, rice, cocoa, oil palm, plantain, fishery and poultry. The project will further take into consideration special constraints faced by youth and women particularly in accessing resources necessary for agribusiness especially, land and financing. Under sub-component 1.3: Financial Inclusion, support for agri-enterprises, financial literacy will be part and parcel of capacity building for beneficiaries especially women. On the 3 windows, there will financial providers will be encourage to develop products that are relevant for women and the youth. The project will also use the Gender Action Learning System for Financial Inclusion borrowing on lessons from RUFIN. Under RUFIN, training on this methodology included the following categories of participants: rural clients (GALS champions), community volunteers (field agents), bank and non-bank financial service providers, their apexes, representatives of Central Bank (and Rural Outreach Coordination Committee) and RUFIN staff members. LIFE further recognizes particular challenges faced by youth and women particularly in accessing and owing land. In this regard the project will promote land acquisition and development initiatives of the State government to make agricultural land accessible to youth and women.

Monitoring and Evaluation

29. All people-centred surveys undertaken by the project will include an age and gender disaggregated data collection and analysis. The project is well positioned to provide insights on working with youth and women in agribusiness. In order to do this, there has to be good information back by data. In this regard, all project reports will have age and sex disaggregated information.

30. **Measuring Gender Equality and Women’s Empowerment:** As part of gender analysis in the baseline, an assessment of women’s empowerment will be undertaken using the Women’s Empowerment in Agriculture Index (WEAI). The Index measures the roles and extent of women’s engagement in the agriculture sector in five domains: (1) decisions about agricultural production, (2) access to and decision making power over productive resources, (3) control over use of income, (4) leadership in the community, and (5) time use. These are aligned to IFAD’s Gender policy’s strategic objectives as shown in table 6. It also measures women’s empowerment relative to men within their households. The WEAI is a composite measurement tool that indicates women’s control over critical parts of their lives in the household, community, and economy. It is a useful tool for tracking progress toward gender equality.

Table 7: Composition of Women’s Empowerment in Agriculture Index

Five dimensions of empowerment	Indicators	Weight	Link to objectives of IFAD’s Policy on GEWE
PRODUCTION	1. Input in production decisions	1/10	Economic empowerment
	2. Autonomy in production	1/10	
RESOURCES	3. Ownership of assets	1/15	Decision-making & representation
	4. Purchase, sale, or transfer of assets	1/15	
	5. Access to & decision on credit	1/15	
INCOME	6. Control over use of income	1/5	
LEADERSHIP	7. Group member	1/10	Equitable workload balance
	8. Speaking in public	1/10	
TIME	9. Workload	1/10	

31. The survey will be repeated at mid-term and project closure in order to track and document LIFE’s contribution to gender equality and women’s empowerment.

Appendix 3: Country performance and lessons learned

A. Country Programme

31. Since 1985, IFAD has approved 12 projects for Nigeria, of which 10 were financed. Five of these are now closed: the Cassava Multiplication Programme, the Artisanal Fisheries Development Project, the two area-based Community Demand-driven Rural Development projects in Katsina and Sokoto States, and the Root and Tuber Expansion Programme (RTEP) implemented in 24 states. the Community-Based Agricultural Development Programme (CBARDP) implemented in the 7 Northern States³⁵, the Community-Based Natural Resources Management Programme (CBNRMP) implemented in 9 states of the Niger Delta³⁶. There are presently two ongoing Programmes, namely, the Value Chain Development Programme (VCDP), being implemented in the six states that cut across the Middle Belt, Southeast, Southwest and Northeast regions³⁷ and supporting rice and cassava value chains; and the Climate Change Adaptation and Agribusiness Support Programme (CASP) being implemented in the states of the North-eastern and North-Western Nigeria³⁸. There is a third programme under completion, the Rural Finance Institution Building Programme (RUFIN) implemented in 12 states spread across the six geopolitical zones of the country³⁹, which completed in March 2017 and will be closed in September 2017,.

Ongoing Loans [US\$]

Project Name and brief description	Approval Date	Total Project Cost (US\$)	Effective Date	IFAD	
				Loan & Grant Amount	% Disbursed
Value Chain Development Programme	03.Apr. 2012	104.7 mil	31 Oct 2013	74.5 mil	46
Climate Change Adaptation and Agribusiness Support Programme	11 Dec 2013	62.6 mil	25 March 2015	76.0 mil	2%

32. IFAD early intervention in Nigeria was guided by the concept of the Community-Driven Development approach where rural institutions development was prioritised to empower rural poor communities to identify and implement their development priorities. This era saw the introduction of multiple projects both agriculture and non-agriculture-related. Following IFAD direct supervision, which started in Nigeria on 1 June 2010, the focus of IFAD projects changed to respond to the recommendations of the 2008 CPE.⁴⁰ Thus, in the ongoing projects, the CDD approach was modified to integrate farming enterprise groups. The groups are empowered to play a major role in community development, but also have a voice to integrate their projects in community and LGA development plans. Presently, the common themes found across all IFAD supported programmes are improvement of smallholder agricultural productivity, access to markets, rural institutions (farmer groups) development, and community empowerment. The key areas of focus for smallholder development in agribusiness and value chain development include the following:

- (a) Partnerships and private sector engagement to facilitate farmers access to market and production inputs, as well as internalize sustainability of project philosophy during implementation. Partnership with the private sector like Olam, Stallion, etc, Onyx and Songhai, ICRISAT etc., has helped to provide reliable market outlet to farmers and facilitate technology transfer in agro-allied enterprises respectively.

³⁵ Borno, Jigawa, Katsina, Kebbi, Sokoto, Yobe, Zamfara States

³⁶ Abia, Akwa-Ibom, Bayelsa, Cross River, Delta, Edo, Imo, Ondo and Rivers States

³⁷ Anambra, Benue, Ebonyi, Taraba, Niger and Ogun States.

³⁸ Borno, Jigawa, Katsina, Kebbi, Sokoto, Yobe, Zamfara States,

³⁹ Katsina, Zamfara, Adamawa, Bauchi, Benue, Nasarawa, Lagos, Oyo, Akwa-Ibom, Edo, Anambra and Imo States

⁴⁰ The 2008 CPE had recommended that IFAD should refocus on agriculture and agricultural-related infrastructure using a value chain development approach. Thus, in response, the IFAD involvement in Nigeria had in 2010 began to emphasise on Agrienterprise and/or value chain development

- (b) Economic increase in the yields of targeted commodities through the use of improved varieties, seeds, fertilizer and other production practices;
- (c) Deepening of business orientation and increasing involvement of rural farmers in enterprises;
- (d) Increasing engagement of youth and women in gainful agricultural and agricultural related jobs;
- (e) Increasing access to financial resources for investment in activities along the commodity value chain – notably including acquisition of inputs and services; and
- (f) Participatory development facilitated through the establishment of local, community-level development institutions.

33. At the state and community levels, the challenges of the country programme are as follows:

- Lack of capacity leading to variations in implementation performance in different states; inability to integrate success in the national systems; and little or no availability of operational funds in some States, which creates loss of momentum. Absence of a national coordination body at the federal level worsens the entire situation.
- Lack of standardisation in agricultural enterprise activities and infrastructural schemes has resulted in variability of the quality of these activities from state to state. While some states seem to be doing well, others are yet to pay the needed attention to quality and standard. This affects level of result of interventions.
- Weakness in the extension system in the Nigeria. The national extension carrier is the ADP system (a public service provider on extension). There is lack of capacity and general shortfall in qualified personnel for the nation-wide ADPs to play the role of providers in a complex nation like Nigeria. The programmes are averse to the use of private sector to facilitate services at the community/beneficiary level. This attitude limits knowledge sharing and internalisation of proven enterprise modules as well as frustrates the adoption of innovations by programmes.
- Farmers are participating in the innovative Commodity Alliance Forum, which is a transaction and knowledge sharing platform between farmers and big private sector players. However, while challenges of extension, market access/market participation, infrastructure, youth involvement, and government participation in agriculture are being tackled by the forum, the programmes are yet to fix the challenges of financial access for farmers. In addition, cassava farmers still suffer from lack of reliable produce off-takers for their fresh cassava roots. Despite reasonable impact, the RUFIN programme was unable to link systematically with other IFAD programmes to create sustained credit access for the rural farmers. Thus, in line with the 2015 CPE and 2016 COSOP, other IFAD programmes will now have a finance sub-component to facilitate credit access/delivery to enterprise groups.
- The Monitoring and Evaluation (M&E) system remains unable to capture impact and outcomes, all programmes still face issues of data collection and data quality. There is general under-reporting of performance by programmes.
- Systems for project level procurement suffer from various inefficiencies in the preparation of specification of items and services to be procured in accordance with AWPBs and tenders themselves are frequently delayed. The net effect of these inefficiencies and occasional mis-steps is low disbursement.

B. Lessons Learnt and adherence to IFAD Policies

34. To be specific, all IFAD supported programmes have had common implementation challenges of: (a) delays in effectiveness, (b) untimely release of counterpart funds, particularly from state and local governments and the federal government following the recent economic recession, (c) weak communication and dissemination of successes, (d) slow WA processing and low drawn down, and (e) weak extension to support effective and timely service delivery to farmers. However, based on the findings of the two CPEs in 2008 and 2015, the RB-COSOP, internal portfolio completion report, and project completion reports of past IFAD-assisted projects, the design of LIFE-ND has incorporated the following key lessons that are relevant to the project.

These lessons are categorized into: (i) targeting, (ii) enterprise development approaches and models, (iii) social and environmental management, and (iv) project management.

Lessons on targeting

35. **Spreading resources thin diminishes impact.** For CBNRMP, resources were spread thinly across the nine states of the Niger Delta region resulting in inefficiencies, diluted quality of outreach, and limited overall project impact. Due to the long distances between the participating LGAs, large transaction costs (overhead cost up to 20 percent of project cost) were incurred in coordinating and monitoring of project activities. In line with the COSOP and CPE recommendations, LIFE-ND will limit IFAD loan proceeds to six states and aim at statewide coverage in these states, starting with 10 LGAs per state and increasing the number upon a review of performance at the midterm review. Since poverty levels are similar in the nine Niger Delta states, the six IFAD-supported states were selected using the following criteria: (i) clear government focus on community development and smallholder agriculture; (ii) willingness to work with the private sector; and (iii) demonstrated commitment and political will (as expressed in the level of participation in former CBNRMP) to support a joint project with IFAD. Within each state, the first 10 LGAs will be selected on the basis of the dominance of the priority commodities in their domain. Villages for intervention will be selected on the basis of the willingness of community members to participate in the project.
36. **Commodity and enterprise targeting are critical for good performance results.** Unlike the CBNRMP that supported an unlimited number of commodities and their associated agri-enterprises, LIFE-ND will emphasise the top four state government priority commodities with specific consideration to their level of: (i) return on investment; (ii) potential to create jobs for the beneficiaries; (iii) food and nutrition security; (iv) capacity for import substitution; (v) industrial demand; and (vi) availability of private sector players to drive production and offer reliable market outlet.
37. **Effective targeting of youth and women could yield better results.** Overall, Nigerian projects have recorded high participation of women and to a lesser extent youth. The process, however, lacked a clear targeting strategy to create learning that could be scaled up. For 50 percent of the project beneficiaries, LIFE-ND will continue the protocol for women including: (i) promotion of women responsive enterprises; (ii) direct targeting of women only groups; (iii) organizing time and venue friendly events for greater women participation; (iv) affirmative provision of: (a) at least 30 percent of leadership positions in commodity associations held by women, (b) engagement of a minimum of 35 percent women in the project coordination teams at the regional and state levels; and (c) use of the GALS successfully applied by the RUFIN programme. As the major issue being addressed by the project is youth restiveness—crime, migration, militancy—and these are primarily social ills affected young men—50 percent of the beneficiaries will be young men. To support this approach, LIFE-ND will also draw from the experience of the IITA youth agri-preneurs and FAO-YEAP, to target youth and promote entrepreneurship skills in them through an enterprise incubation.

Lessons on enterprise development approaches and models

38. **The CDD approach can be adapted for the promotion of rural agribusiness development.** The CBARDP had used the Community Driven Development (CDD) approach to realize 361 new Community Development Associations (CDAs) in northern Nigeria. CBNRMP, in line with its renewed focus from 2010 on enhanced food security, job creation for youth and poverty reduction, adapted the CDD approach in the Niger Delta region into a commodity development approach to realize 154 Commodity Apex Development Associations (CADAs). The CADA, an umbrella association to support the enterprise groups in each community, supported the establishment of viable agro-enterprises, leading to a marked improvement of the incomes women and youth. The CADA also streamlined resource flow from CBNRMP to the enterprise groups in each community. While both the CDA and the CADA functioned to: (i) prioritize

community needs; (ii) settle conflicts; (iii) ensure social inclusion; (iv) build social capital; (v) maintain productive infrastructure; (vi) manage financial resources; (vii) act as an entry point for development partners and government into rural communities; and (viii) provide a learning and knowledge sharing platform for members and non-members. The CADA further had a strong emphasis on agribusiness development. It facilitate the creation of 1,800 strong enterprises owned by youth. LIFE-ND will deepen the use of the CADA to facilitate youth and poor women's involvement and women inclusion in agribusiness, and facilitate access to economic opportunities.

39. **Use of enterprise incubation model.** CBNRMP's innovative enterprise incubation model introduced youth to agribusiness and became a good youth-to-youth mentorship model for creating decent jobs and for sharing knowledge. At the close of CBNRMP, over 1,800 strong agri-enterprises were reportedly earning above USD 5 per day. LIFE-ND will adopt the incubation model as the entry point and a key stone to its approach.
40. **The private sector is enthusiastic to engage with smallholder farmers** if the farmers are organized and if there is a credible process to discourage side-selling of produce. VCDP through the Commodity Alliance Platform (CAPs), fostered linkages between farmers and the private sector, helping to build trust between the parties. The VCDP has helped to leverage finance through cashless credit support from the off-taker. LIFE-ND will deepen on the CAP to facilitate access to finance, technology and market for the beneficiaries, and in addition engaging with government and community members to secure and develop bulk land of various sizes for the beneficiaries.
41. **Inadequate financial access inhibits profitable agri-enterprise development.** Enterprise development in CBNRMP and other IFAD-assisted projects has been constrained by farmers' inadequate access to financial services to procure inputs to produce on an economic scale and reach profitable markets. RUFIN facilitated farmers' increased access to rural financial services through microfinance institutions (MFIs), and strengthened the savings culture, recordkeeping skills and cohesion of village saving and credit groups (VSCGs). As at 2016, up to N16 billion (US\$ 53.3 million) was leveraged as internal saving mobilization by the RUFIN facilitated savings and credit groups in 12 states of Nigeria. Unfortunately, RUFIN's focus was not primarily on enterprise groups and missed the opportunity to show huge impact on job creation. Because of this weakness, most of the enterprise groups in the CBNRMP states struggled without guidance and needed to invent their own systems to improve financial access. Learning from this experience, LIFE-ND has incorporated a financial access subcomponent to mainstream RUFIN's lessons and facilitate financial access by beneficiaries.

Lessons on social and environmental management

42. **Sound technical backstopping is critical for results in natural resource management and climate change adaptation.** CBNRMP was designed to address climate change and environmental issues because the region is highly prone to flooding as the drainage basin of the entire country, and is associated with high humidity induced pests and diseases, pollution and retardation of agricultural productivity. There is also effect of coastal erosion and high seas rising in the creeks and small island communities. However, little or nothing was achieved by CBNRMP in this sector due to lack of technical depth in the management team to incorporate climate change resilience and environmental degradation mitigation measures. LIFE-ND will mainstream climate change adaptation and environmental mitigation measures to promote climate change smart agribusiness for the beneficiaries.
43. **Insecurity and conflict may be mitigated through job creation.** IFAD-assisted projects in Nigeria have been vulnerable to various forms of conflict, insurgency or unrest – especially, Boko Haram in the north east region, pastoralist-farmer conflicts in the middle belt, and militancy and unrest in the Niger Delta region. With the activities of the pastoralists spreading further southwards, LIFE-ND will undertake a conflict analysis or risk assessment at the start of

project implementation to provide mitigation strategies against identified potential conflicts. It is expected that the creation of decent paid jobs by the project will help to reduce youth restiveness in the Niger Delta region⁴¹.

Lessons on project management

44. **Lack of a coordination structure constrains policy engagement**⁴². The absence of a well-structured policy coordination unit within the federal and state ministries of agriculture has been a major constraint to effective policy engagement, dissemination of results to government systems and institutions, up-scaling of successes by the government, and the development of strategic partnerships. LIFE-ND, along with all DP investments in Nigerian agriculture, will also invest in the central communication platform of IFAD supported programmes, which has become an active communication and knowledge sharing pathway to scale up results. At the state level, LIFE-ND will support the strengthening of the agricultural development programmes (ADPs) for effective policy dialogue on extension, quality assurance on services provided to beneficiaries, and M&E activities. At the state level, LIFE-ND will be domiciled in the ADP office complex for better synergy with government agricultural initiatives and other development partner projects.
45. **Linking release of IFAD loan proceeds to counterpart funding limits implementation effectiveness**. IFAD usually requires local counterpart financing as evidence of ownership of the project activities. However, linking counterpart fund contributions to the release of IFAD loan proceeds for field activities has created an inefficient fund utilization process, and limited implementation effectiveness. The Government of Nigeria also insists that payment of staff salary is a form of counterpart fund contribution. The situation has become worse now that Nigeria is in a recession and salaries of staff are in arrears in many states. This lesson was considered in amending the financial agreement for CBNRMP and in the design of the ongoing IFAD-assisted VCDP and CASP, and is in line with the practice of the World Bank which also provides 100 percent financing for all credit categories so that government counterpart financing is only used to cover salaries of seconded staff. In response to the recommendation of the Portfolio Completion Report, LIFE-ND will accept that government counterpart financing requirements may be limited to salaries of the seconded staff at all levels and operational costs like utilities, maintenance and office accommodation at the state level.
46. **Delay in start-up of projects**. Projects in Nigeria experience an average of 30 months delay in start-up, leading to redesigns and a reduction in the project relevance in relation to the objectives. The following measures will be taken to resolve this challenge: (i) National LIFE programme with annual appropriation will ensure the inclusion of the IFAD-assisted LIFE-ND in the national borrowing plan; (ii) IFAD has in principle agreed with the government proposal for a retroactive financing in the financing agreement to facilitate implementation readiness; and (iii) a sufficient number of personnel with private sector experience will be competitively engaged to effectively liaise with the private sector and deliver on the LIFE-ND investment targets using performance-based contracts.
47. **Low loan draw-down**. For most projects in Nigeria, weak financial management and unpredictable counterpart funding from the states and LGAs have disrupted fund flow and project delivery, leading to low loan draw-down. Consequently, LIFE-ND will: (i) align with Nigeria's new Treasury Single Account system for fund monitoring and donor alignment; (ii) strengthen the project's financial management capacity; (iii) as in other IFAD-assisted projects, limit government counterpart funding to overhead costs; and (iv) apply the IFAD loan proceeds to fund field activities 100 percent, pay the salaries of non-government staff at the national/regional/state levels, and the operational allowances of project staff.

⁴¹ See Appendix 18 for a media report on the expectations of NDDC on the impact of LIFE in reducing youth violence.

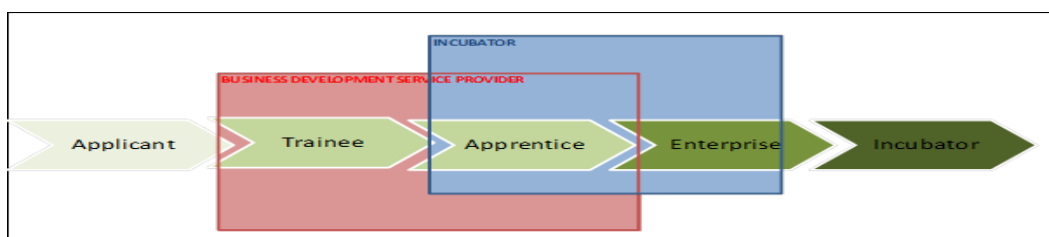
⁴² As FMARD has resolved to improve its coordination role and has requested for the assistance of all development partners and their projects, LIFE-ND will support establishing and capacitating a project coordination unit under the FMARD, including for monitoring and evaluation (M&E) and knowledge management.

Partnerships covered by results-based collaboration agreements are more effective. Many partnerships were established under CBNRMP on ad hoc and opportunistic basis. Fearing a loss of their jobs, CBNRMP staff also missed the opportunity to engage extensively with private extension providers early enough during the period of refocusing on agriculture. The situation affected the quality of service delivery until two years to programme completion when a mind-set change occurred among the staff. The design of LIFE-ND draws from this experience. The design also benefits from: (i) the ongoing VCDP where results-based partnership agreements are enabling stronger synergies and resulting in programme impact, especially in the areas of input delivery, financial access, reliable market outlet, economic and social empowerment for small farmers, knowledge sharing, leveraging of resources and scaling up of proven results; and (ii) the CBNRMP partnership with the Songhai Centre, National Root Crop Research Institute (NRCRI), USAID funded MARKETS II, and World Bank-assisted Fadama III involving memorandum of understanding (MoU) for accountability. LIFE-ND has provided for a business promotion adviser in the staff team to facilitate the inclusion of the private sector and civil society organisations (CSOs) in project implementation. The VCDP Commodity Alliance Forum (CAF) is a form of PPP where small producer enterprises, organized private sector operators, CSOs, NGOs, input dealers and market operators come together to engage in mutual business. The main market operators, who drives the forum is the off-taker of farmer produce. Engagement is guided by result based MoU where obligations of each party and the time frame as well as expected investment results are well defined, where LIFE-ND acts as the broker/facilitator.

to establish their business, CBNRMP coined the name of these enterprises as *incubator*. LIFE will replicate and scale up the Incubator Model to foster the development of new enterprises through training, capacity building, backward linkages and investments. The incubators will be selected based on the following criteria: (i) demonstrated strong growth in profitability over the previous two years; (ii) evidence of market linkages to input suppliers and services as well as linkages to retail and wholesale buyers both inside and outside their LGA; and (iii) financial, technical, infrastructural (land, machinery, etc.) and managerial capacity in the subject business so as to incubate at least 10 apprentices per cycle.

4. Figure 1 explains the process of incubation. Broadly: (i) *applicants* from the target group are identified by business development service (BDS) providers based on the selection criteria in Box 1; (ii) successful applicants become *trainees* and undergo a 10-day business planning and management training; (iii) successful trainees are seconded to willing incubators where they become *apprentices* and undergo practical orientation for one to two weeks; (iv) following the orientation, apprentices execute two production and sales cycles under the mentorship of the incubator; (v) following the two apprenticeship cycles, the apprentices start their own *enterprises* and are encouraged to agree with their incubator a number of cycles during which they will market their output with the incubator; (vi) following this process, new enterprises may themselves become incubators.

Figure 1: The incubation process in LIFE



5. To strengthen the incubator model the project will engage with government, community or individuals to make land available to the beneficiaries for production and marketing. As a quick-win, the project will secure farm settlements and warehouse/storage facilities from states for development for use by the incubators and apprentices. Further the project will engage with market operators to broker marketing relationships with the beneficiaries. Where appropriate, the arrangement will be guided by an MoU clearly defining the obligations of each party and responsive to the project performance indicators and project development objective.

6. **Phasing:** LIFE will be implemented in two phases. *Phase 1* will last for three years, up to the midterm of the project. During this phase, only 25 incubators will be selected per state, each of which will incubate five enterprises per year for three years to generate 1,500 paid jobs in phase 1. Phase 1 incubators will continue to generate enterprises throughout the life of the project adding another 6,000 jobs. During *Phase 2* (post midterm), the project will capitalize on the lessons learned during phase 1, and upscale the model to include an additional 75 incubators per state each generating 10 enterprises per year to generate an additional 18,000 paid jobs. This will give a total of 25,500 direct jobs created in the two phases. This target, as well as the number of participating LGAs, will be further reviewed during the midterm.

7. **Market, financing and institutional support for agri-enterprise development:** Beyond the incubator model, LIFE will opportunistically increase the number of market linkages between smallholder farmers and large scale off-takers. In the Niger Delta, commodities such as cocoa, fish, rice, and palm oil are already traded on a large scale and, frequently, it may be possible, without additional incubation to augment purchasing arrangements and MOU-based agreements between buyers and out-growers to include project beneficiaries. Drawing from the successful ongoing VCDP model, the project will support rural out-growers to better supply off-takers.

8. The project will facilitate appropriate finance to the incubators, apprentices, related businesses, individuals and catchment area businesses. This will be achieved through various means during project implementation, including: (i) promoting savings and self-finance by beneficiaries; (ii) matching grants to incubators and apprentices; (iii) vendor/supplier finance driven by off-taker relationships; (iv) matching grants to the existing BOA leveraging loans to project beneficiaries; and possibly (v) tapping into CBN's MSMEDF Refinancing to project areas to increase liquidity.

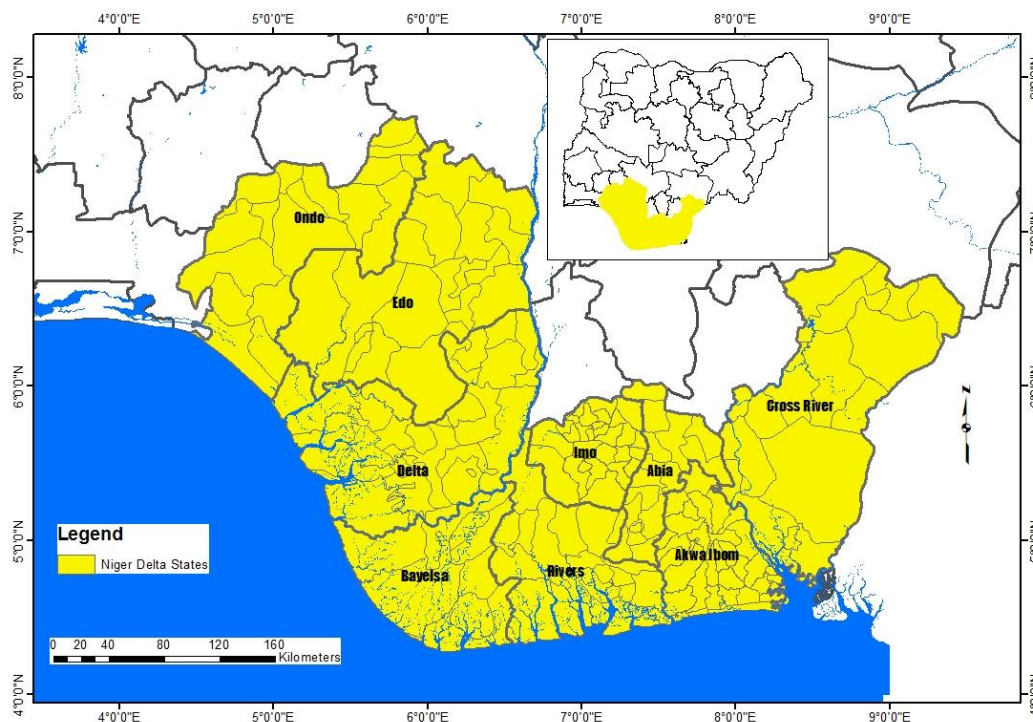
9. The project will also implement a number of activities at national and state levels to strengthen the capacity of relevant civil society, public and private sector institutions to: (i) improve the policy framework for youth and women producers and marketers; and (ii) support learning, knowledge sharing and communication network and activities, to incentivise youth and poor women to engage in agriculture.

10. **Gender equality, mainstreaming nutrition and food security.** Given that women have poorer access to land, input and agricultural credit to improve their production, productivity, income and livelihood, LIFE will facilitate their grouping into enterprise clusters to leverage services from input suppliers and organized produce buyers. LIFE's targeting strategy will include the promotion of women responsive enterprises such as vegetable, fish, poultry, honey production, processing and marketing for income as well as household food security and nutrition; time, venue and environment friendly events for women participation; self-targeting of women's only group; provision of at least 40 percent slot for women in the benefiting community, 30 percent of leadership positions in commodity associations, and 30 percent of women in the project management team; and, promotion of the use of Gender Action Learning System (GALS). The nutrition activities on integrated homestead food production and home grown school feeding initiative will specifically target the women groups in order to create opportunities for women and adolescent girls to be engaged on nutrition activities.

11. **Partnerships.** With the stronger focus on enterprise development under LIFE and drawing from the experience of CBNRMP, the development of synergies and partnerships with the private sector will be critical to the success of LIFE. Many partnerships were established under CBNRMP on ad hoc and opportunistic bases. Fearing a loss of their jobs, CBNRMP staff missed the opportunity to engage extensively with private extension providers early enough during the period of refocusing on agriculture. The situation affected the quality of service delivery until two years to programme completion when a mind-set change occurred among the staff. The design of LIFE draws from the experience of: (i) the ongoing VCDP where results-based partnership agreements are enabling stronger synergies and resulting in programme impact, especially in the areas of input delivery, financial access, reliable market outlet, economic and social empowerment for small farmers, knowledge sharing, leveraging of resources and scaling up of proven results; and (ii) the CBNRMP partnership with the Songhai Centre, National Root Crop Research Institute (NRCRI), USAID funded MARKETS II, and World Bank-assisted Fadama III involving memorandum of understanding (MoU) for accountability. LIFE has provided for a business promotion adviser in the project coordination team to facilitate the inclusion of the private sector and civil society organisations (CSOs) in project implementation. Project management will adopt more of a coordinating approach, by doing less directly and more through engaging partners.

The project area

12. **Location.** The focus area of the LIFE-Niger Delta (LIFE-ND) is the nine (9) southern oil producing states of Abia, Akwa Ibom, Bayelsa, Cross River, Edo, Delta, Imo, Ondo and Rivers making up the oil producing region of Nigeria also referred to as the Niger Delta states. The region situated in the southern part of Nigeria and bordered to the south by the Atlantic Ocean and to the East by Cameroon, covers about 110,624 km² (12% of Nigeria's land area). The region has 184 LGAs. The South-South (Akwa Ibom, Bayelsa, Cross River, Delta, Edo and Rivers), South East (Abia and Imo) and South West (Ondo) geopolitical zones of Nigeria are represented in the Niger Delta states. (see Map 1). Cross River State is the largest of the states with a landmass of 21,787 km², followed by Edo 19,187 km², Ondo 15,820 km², Rivers 10,575 km², Bayelsa 9,059 km², Akwa Ibom 6,900 km², Imo 5,288 km² and Abia 4,900 km² in that order.



Map 1: The Niger Delta Region

13. **Socio-cultural context.** The total population of the nine states in the Niger Delta in 2006 was 31,267,901 consisting of 15,847,359 male (51%) and 15,420,542 (49%) female. The estimated population for the region as at 2011 was 36,515,429 (NBS 2012). Rivers State has the highest population estimated at 6,162,063 in 2011 followed by Delta 4,825,999, Akwa Ibom 4,625,119, Imo 4,609,038, Ondo 4,020,965, Edo 3,700,706, Cross River 3,344,410, Abia 3,256,642 and Bayelsa 1,970,487 in that order. Like the rest of Nigeria, the Niger Delta states consist mainly of young and growing population with 62% below the age of 30 years (NDRMP ***). The population density is about 30.1 ppkm² which is far higher than the national average of 201.7 ppkm². Imo state has the highest density at 871.6ppkm² followed by Akwa Ibom 670.3, Abia 664.6, Rivers 582.701, Delta 282.1, Ondo 254.2, Bayelsa 217.5, Edo 192.9 and cross River 153.5 respectively. Table 1 summarizes the basic facts of the Niger Delta States.

14. The Niger Delta states is a growing region with an average total fertility rate (TFR) of 4.8 which is lower than the national average of 5.5. However, Bayelsa and Cross River have TFR higher than the national average, while Edo and Delta have TFR higher than the region's average. The other states - Abia, Imo, Akwa Ibom, Ondo and Rivers - have TFR that is lower than the region's average. The total children enrolment into public primary school as at 2014 stood at 5,261,507 (23% of national enrolment) with males accounting for 48% and female 52% (NBS 2016). Imo and Ondo states accounted for the highest public primary school enrolment with over one million children each. Bayelsa, Abia, Cross River and Rivers in that order accounted for the lowest figures. The projected population of HIV population as at 2014 stood at 763,788 (i.e. 25% of the total national projected population for HIV). Akwa Ibom has the highest with 245,489 and Edo has the least with 22,821 people. The average unemployment rate for the region declined from 26.2% in 2007 to 22% in 2011 (while the national unemployment rate increased from 12.7 to 23.9% within the same period) (NBS, 2012). However, states such as Edo, Ondo and Bayelsa recorded increase in unemployment rates within the period by as much as 20.4% for Edo.

15. **Land and people.** The very rich culture and heritage of the region is based on the presence of about 40 different ethnic groups speaking 250 languages and dialects (NDRMP**). The numerous ethnic groups include Ijaws, Ogonis, Ikwerres, Etches, Ekpeyes, Ogbas, Engennes, Obolos, Isoko, Nembes, Okrikans, Kalabaris, Urhobos, Itsekiris, Igbos, Ika-Igbos, Ndoni, Oron, Ibeno, and Yorubas,

Ibibios, Annangs and Efiks. Other groups include Ibibios, Anang, Efiks, Bekwarras, Binis, etc. The heritage of the people is reflected in modes of dressing, marriages, traditional culture and festivals. These ethnic groups have co-existed and peace and harmony for a very long period.

16. Land, in relation to the population, is relatively scarce in the Niger Delta region especially in the lower interiors that consists of creeks and inlets. As the population increases, the pressure on land for all purposes including agriculture increases accordingly. The highest pressure on land is in the coastal mangrove vegetation zone with a population density of 0.46 ha/person followed by the derived savannah zone with 0.49 ha/person (NDRMP**). Like the rest of the nation, the people of the Niger Delta region face the challenges of access to land. The ownership of land in Nigeria by virtue of the Land Use Act 1978 is vested in the governor of the state. Only usufructuary right is granted to the citizens (by the governor of the state) through certificate of occupancy (in urban area) and statutory or customary right of occupancy (for rural lands).

17. The typologies of access to land available in the Niger Delta region include individual holdings from family inheritance or purchase from communal or other family land; family land derived from communal holding of the progenitor; communal land owned by the community; and customary tenure where family or community grants a right of occupation of land to another person or group of persons who are usually strangers or immigrants to live in or farm in return for which they acknowledge the title of their grantor by the payment of customary tribute which may be in cash, kind or both. These land holdings typologies are fraught with danger of social exclusion and lack formal title on holding. Most of the land owned by individuals, families or communities in rural areas have no statutory or customary right of occupancy. This limits agricultural investment to improve and equip the land. The risk of being 'pushed-off' land is also high, and the land cannot be used to secure access to credit to improve productivity. Again, among the Ibos where inheritance is primogeniture the possibility of exclusion of women and youth from access to land is very high. The government also has lands which have been acquired lands for agricultural purposes. But access to the lands may be cumbersome due to government bureaucracy. It can also be contentious because community can block physical access to the land or make life difficult for land users where compensation has not been paid on the land. It is also subject to political wills and caprices.

18. The land situation in the Niger Delta region especially in the coastal interiors is particularly contentious. By nature, 50% of the lands in the interior Niger Delta is not workable due to the edaphic and physiographic limitations imposed by drainage. Secondly, while the land-use Act of 1978 cemented state government ownership of the land, the Petroleum Act of 1969 and other mineral Acts, through the principle of 'eminent domain', placed all minerals and its exploration in the hand of the Federal Government. Thus, all the lands in the southern interior including agriculturally productive lands have been parcelled into Oil Prospecting Leases (OPL) which becomes Oil Mining Leases (OML) once oil has been found on the land. Thus, oil exploration activities on productive lands and its concomitant externalities drive the local population to the margin of survival. This is the root cause of resource conflicts in the Niger Delta.

Table 1: Basic facts about the Niger Delta states

State	No of LGAs	Land Area (km ²)	Population 2006***		Population (projected 2011)***	Density	TFR****	Public pry sch enrolment (2014)**		**Projected HIV population (2014)	Unemployment rate***	
			male	female				male	female		2007	2011
			Abia	17				4,900	1,420,298		1,415,082	3,256,642
Akwa Ibom	31	6,900	1,983,202	1,918,849	4,625,119	670.3071	4	448,032	479,062	245,489	18.0	18.4
Bayelsa	8	9,059	874,083	830,432	1,970,487	217.5171	6.7	61,647	61,739	30,858	21.9	23.9
Cross River	18	21,787	1,471,967	1,421,021	3,344,410	153.5048	5.8	101,402	95,538	83,596	32.8	18.2
Delta	25	17,108	2,069,309	2,043,136	4,825,999	282.0902	5.3	187,825	95,538	34,717	22.9	27.2
Edo	18	19,187	1,633,946	1,599,420	3,700,706	192.8757	5.3	170,998	451,984	22,821	14.8	35.2
Imo	27	5,288	1,976,471	1,951,092	4,609,038	871.6033	4.6	718,141	672,039	93,822	28.3	26.1
Ondo	18	15,820	1,745,057	1,715,820	4,020,965	254.1697	3.9	629,257	630,543	49,281	6.7	12.5
Rivers	23	10,575	2,673,026	2,525,690	6,162,063	582.701	4.3	128,438	130,845	121,351	66.4	25.5
Region	185	110,624	15,847,359	15,420,542	36,515,429	330.086	4.878	2,546,619	2,714,888	763,788	26.3	22.0
Nigeria	774	909,890	71,345,488	69,086,302	183,600,000 in 2015 *****	201.7826	5.5	12,145,968	10,983,959	3,070,174	12.7	23.9

**NBS (2016): Social statistics report 2016. Available at <http://www.nigerianstat.gov.ng/library>. Access 16 March 2017

***NBS (2012): National Bureau of Statistics Annual Abstracts of Statistics 2012. Available at <http://www.nigerianstat.gov.ng/library> Access 16 March 2017

****NBS 2015 Demographic Statistics Bulletin 2015. Available at <http://www.nigerianstat.gov.ng/library>. Access 16 March 2017

19. **Environment.** The Niger Delta region consists of a wetland area which has been estimated at 1,794,000ha consisting of 617,000 ha of saline and 1,177,000 ha of freshwater swampland (NEST, 1991). The region has a rich and diverse mosaic of ecological types. Five distinct ecological types can be identified: the barrier island and mangrove and coastal vegetation, fresh water swamp forest, lowland rain forest, derived savanna and the montane forest. All the ecosystems are found in gradients from the coast to the hinterland in each of the states with the exception of the montane ecosystems that is localized to the northern part of Cross-River state.

20. There are 12 important bird areas (IBA) in the Niger Delta area. These include Obudu Paltuea, Afi River Forest Reserve, Okomu National Park, Cross River National Park (Oban division) Cross River National Park (Okwango division), and Upper Orashi Forest Reserve. Others are Biseni forest, Akassa forest, Sunvit Farms (Agenebode Forests), Ebok-Kabbaken swallow root and Itu wetlands. This is in addition to other protected game reserves (Table 2).

Table 2: Some protected areas in the Niger Delta region

Name	State
Cross River National Park	Cross River
Obudu Game Reserve	Cross River
Okomu National Park	Edo
Gilli Gilli Game Reserve	Edo
Kwale Game Reserve	Edo
Ofosu Game Reserve	Edo
Ologbo Game Reserve	Edo
Iybi-Ada-Obi Game Reserve	Edo
Orle River Game Reserve	Delta
Ologolo-Eriourho Game Reserve	Delta
Ifon Game Reserve	Ondo

Source: SEDEC (2008)

21. **Oil and gas exploration.** Oil is the major non-renewable natural resource of the Niger Delta region. The oil sector presently constitutes the backbone of the Nigerian economy. This has exerted tremendous impacts on the fragile ecosystems of the Niger Delta. According to the CBN report, as at 2015, the gross revenue from oil stood at N3,830.1 billion, (i.e 4% of GDP, a decline of 13.9% in 2011), representing 55.4% of total federally-collected revenue. Despite the decline in crude oil export, it remained dominant, accounting for 78.3% of Nigeria's total export while gas export constituted 14.2%. This means the oil sector constitutes 92.5% of Nigeria's total export in 2015. According to the NDRMP document, as at 2004, there are 5,284 oil wells drilled in the Niger Delta region. In addition, there are 257 flow stations for crude processing, over 7000km of oil and gas pipeline, 10 export terminals, and about 310,000km² of land area within which the network of pipelines are located.

22. Known impacts of oil spill in the Niger Delta region according to NDES (1997) and UNEP (2011) include:

- Mass mortality and or tainting of animals as well as other aquatic resources
- Ground water contamination
- Abandonment of fishing ground and associated livelihood pursuits
- Vegetation desiccation and other forms of ecological damages
- Loss of biodiversity in breeding grounds
- Loss of drinking and industrial water sources
- Reduction of land area available for agriculture
- Loss of recreational facilities and aesthetic values of the environment
- Increased economic burdens of pollution clean-up, population rehabilitation
- Impairment of human health
- Worsened rural underdevelopment, poverty and heightened community embitterment
- Gas flaring and pipeline fires
- Youth restiveness and loss of social and cultural cohesion
- Emergence of local bourgeois through selective gratification which produce powerful minority who become rich at community and environment expense
- Illegal bunkering and refining activities.

Goal and objective

24. The **overall goal** of LIFE is to realize a *transformed rural economy in which the rural population can derive prosperity and equal benefit*. The goal and purpose are aligned with the RB-COSOP Results Management Framework. The **project development objective** is to *enhance income, food security and job creation for rural youth and women through agri-enterprise development on a sustainable basis in the Niger Delta region of Nigeria*. This feeds directly into the RB-COSOP's Strategic Objective (SO) 1, which is to promote sustainable, climate resilient, economic and financial inclusion of youth and poor women in profitable agribusiness. LIFE will also feed into SO 2, strengthened institutions at state and community level to work with private actors in key value chains. The RB-COSOP is aligned to the Green Alternative (Government Agricultural Policy), which emphasizes four pillars: food security, job creation, import substitution and economic diversification. The achievement of the project objective at the end of the project life will be measured by the following indicators:

- i. At least 25,500 direct LIFE beneficiary households have stable income for enhanced food security and sustainable livelihood.
- ii. At least 25,500 youth and poor women's agri-enterprises are directly strengthened or created.
- iii. At least 25,500 gainful jobs (the same as ii above) are directly created for youth and women in ownership of profitable agribusiness and related paid services.
- iv. At least 50 percent increase in volume of produce by direct beneficiary agri-entrepreneurs realized.
- v. At least 50 percent increase in volume of marketed produce by direct beneficiaries achieved.
- vi. At least 25 percent value addition is realized through processed produce/products.
- vii. At least 50 percent increase in profit is realized by direct beneficiaries engaged in agri-enterprises.
- viii. At least 80 percent of direct beneficiaries (20,400) have increased their food security (reduction in length of lean/hungry season, increased number of meals a day, increased food diversity and quality) by at least 50 percent.
- ix. At least 80 percent of direct beneficiaries (20,400) have increased their assets (measured by an increased assets ownership index, based on additional assets - RIMS indicator) by at least 50 percent.
- x. At least 50 percent of rural institutions promoting youth-based profitable agri-enterprises supported and strengthened.
- xi. At least 80 percent of direct beneficiaries (20,400) practicing improved product handling and marketing practices (quality, packaging, standard weights, etc).

Component and outcomes

25. The project has two components: (i) a technical component, Enhancement of economic opportunities for rural youth and women, and (ii) Project management and coordination. Table 3 summarizes the expected outcomes of the two components which contribute to the project objective.

Table 3: Expected outcomes of the project components

Component	Outcome
1. Enhancement of economic opportunities for rural youth and women	<ul style="list-style-type: none"> • Market driven rural business incubators are strengthened • Production, productivity and marketing of agro-entrepreneurs are improved through public-private producer partnership (PPP) models • Market access, participation and profitability of beneficiaries and market actors enhanced through sustainable enterprises, improved market infrastructure and access to financial services • Increased ease of beneficiaries doing agribusiness
2. Project management and coordination	<ul style="list-style-type: none"> • Efficiently and effectively managed project achieving results with communication and knowledge management integrated in all aspects of operations

Component 1: Enhancement of economic opportunities for rural youth and poor women – US\$ 50 million.

26. The objective of this component is to facilitate the establishment of profitable agribusiness by beneficiaries, indicated by the number of paid jobs, youth and poor women's ownership of agribusinesses, increased capacity to handle and operate business, and improved market participation and access. The expected outcomes from the component are:

- Market driven rural business incubators are strengthened
- Production, productivity and marketing of agro-entrepreneurs are improved through public-private producer partnership (PPP) models
- Market access, participation and profitability of beneficiaries and market actors enhanced through sustainable enterprises and improved market infrastructure
- Increased ease of beneficiaries doing agribusiness

27. Component 1 comprises four mutually reinforcing subcomponents, namely: (i) support to agribusiness incubation; (ii) support to agribusiness production and marketing infrastructure; (iii) promotion of financial service for rural agribusiness; and (iv) institutional strengthening.

28. **Subcomponent 1.1: Support to rural agribusiness incubation.** This subcomponent will facilitate the emergence of strong agribusiness incubators and market linkage using PPP models. It will involve the use of: (i) established rural profitable agribusinesses that have backward integration with the rural producers to develop and proliferate new enterprises; and (ii) big produce off-takers (market makers with national and export market linkages) to increase market demand for produce from the incubators and enterprises resulting in employment opportunities to increase production. There will be three levels of assistance: (a) market linkage assistance for incubators and smallholder producers, (b) technical assistance to the incubator, apprentices and smallholder producers in the project catchment, and (c) capacity building assistance for strengthening rural institutions providing supporting goods and services. Enterprises emerging from the system will continue to receive technical assistance to become profitable and some will subsequently develop into new incubators to scale up the project's impact while producing new jobs.

29. The baseline survey conducted prior to design identified seven priority commodities based on their profitability; potential to create jobs for beneficiaries; household food security and nutrition; capacity for import substitution; as well as, potential to service industrial demand for raw materials. The commodities in order of profitability are cassava, plantain, rice, fish, oil palm, cocoa and poultry (Figure 2).

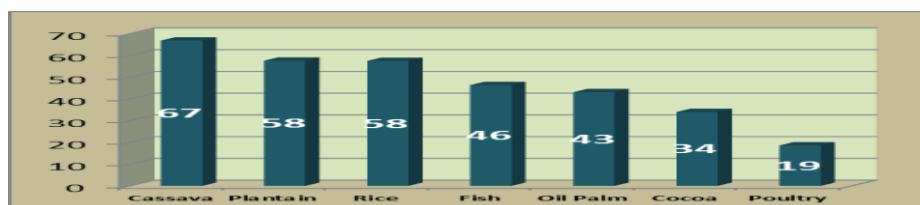


Figure 2: Percentage of value chain participants making return on cost of more than 50 percent on production or processing

30. **Implementation:** Each State Project Coordination Office (SPCO) will select four out of the seven commodities, in consultation with the State Government and IFAD. The commodity selection will be guided by criteria including: (i) level of return on investment; (ii) potential for job creation; and (iii) government priority. In each state, LIFE may also select two additional *opportunity* commodities - from or outside the list of seven commodities. This will allow the selection of those local commodities which offer high employment creation opportunity, income generation potential and nutritional value. The priority commodities will be evaluated on the nutrition gaps and opportunities along the food supply chain to improve efficiency of value addition and access to nutritious food products. Given the current post-harvest loss rates (60 percent) in Nigeria for perishable crops, LIFE will provide support through gender responsive and nutrition-sensitive time and energy saving technologies across production and processing. The aim is to eradicate food waste, improve nutritional value and quality,

mitigate any unintended adverse impact on women, and child feeding and caregiving practices. Approaches to these commodities will follow the prevailing logic of the project.

31. **Selection of incubators:** In the second year of implementation, a state level enterprise survey will be conducted to identify strong enterprises/entrepreneurs and those with existing or potential out-grower linkages in the project areas. The survey will also specify if some potential incubators lack adequate facilities to service ten apprentices. In such circumstances, LIFE will facilitate the minimal required assistance to develop them into fully capable incubators. The survey will include a review of the 1,800 Commodity Apex Development Associations (CADAs) affiliated enterprises supported and categorised as strong by CBNRMP.

32. **Phasing and outreach:** LIFE will be implemented in two phases.

- **Phase 1 (prior to midterm):** This will be for the first three years till midterm, During this phase LIFE will launch the project on a limited scale by selecting 25 incubators per state each of which will incubate five enterprises per year for three years. This will generate 1,500 paid jobs in phase 1. Phase 1 incubators will continue to generate enterprises throughout the life of the project adding another 6,000 jobs.
- **Phase 2 (post midterm):** Capitalising on the lessons learned during phase 1, LIFE will upscale the model to include an additional 75 incubators per state each generating 10 enterprises per year. This will generate an additional 18,000 paid jobs.

33. The selection of Phase 1 incubators will be based on the criteria stated in paragraph 22. In Phase 2 the selection criteria may be refined based on the lessons learned from Phase 1. A total of 25,500 enterprises which represent paid jobs will be generated during the life of the project. The outreach projections from the two phases are presented in the Table 4.

Table 2: Enterprise outreach projections

Phases	Incubators per state	Number of states	Total number of incubators	Apprentices per incubator	Enterprises per year	Active project life	Enterprise LOP targets
Phase 1	25	6	150	5	750	2	1,500
Phase 2*	25	6	150	10	1,500	4	6,000
Phase 2	75	6	450	10	4,500	4	18,000
Total enterprises generated							25,500

Note: *The 25 incubators from phase 1 which will continue to participate in phase 2

34. Building on the technical, financial and infrastructural gaps identified during the incubator selection process, a service provider will be engaged by the project to support the incubators to develop their business plans. These business plans will *inter alia* specify the desired financial growth projections of the incubator that will justify their capacity to absorb the apprentices.

35. **Selection of apprentices:** LIFE will engage a service provider to screen applicants in consultation with the incubators and other key stakeholders such as community based organisations, civil society entities and LGA representatives. The selected apprentices will receive a maximum of 10 days business planning and management training by hired business development service providers (non-individual) to provide them entrepreneurial knowledge and skills. The business orientation training will also include village level group formation, savings mobilisation and agri-entrepreneurship development activities. By the end of this training course the apprentices will have a bankable business plan, developed in consultation with the incubators, to guide their business operations during the incubation period.

36. **Incubation process:** Upon successful completion of the training the apprentice will be attached to the incubator to gain hands-on experiences on best practices in the activity of his/her choice. The apprentice will start-up an enterprise which will remain attached to the incubator for an agreed period not to exceed two production cycles. It is expected that the apprentices will raise start-up capital during this period as the person will own a module of the enterprise. An enterprise module is a minimum economic scale of agri-investment that allows a net profitability of at least US\$ 5 per day per capita, as indicated in Table 4.

Table 4: Key commodities and benchmark enterprise scale for support by LIFE

Commodity	Enterprise unit	Scale of enterprise
Cassava	Ha (number of hectares)	4
Rice	Ha (number of hectares)	3
Plantain	Ha (number of hectares)	2
Oil Palm	Ha (number of hectares)	3
Cocoa	Ha (number of hectares)	3
Vegetable	Ha (number of hectares)	3
Fishery	Fish (number of fingerlings)	1,500
Poultry (broiler/layer)	Bird (number of chicks)	500
Piggery	Pig (number of pigs – Sow, Boar)	15
Bee keeping	Hive (number of hives)	60

37. The incubators will be paid a service charge of not more than N100,000 per apprentice to cover the costs of training and extension services to the apprentice. Given the labour intensive nature of the short duration enterprises, apprentices engaged in such enterprises will receive N15,000 per month for six months while those engaged in long duration enterprises will receive 50 percent of this allowance for 12 months. The project will provide N500,000 per apprentice as seed capital to the incubators to invest in the initial financing needs of the business started by the apprentice attached to the incubator. The detail arrangements for the payment and management of the service charge and seed capital to the incubator are given in paragraphs 49 to 52 under Subcomponent 1.3.

38. The apprentice will vacate the incubator facility after the produce from the two-cycle production period is sold, thus generating the capital for the apprentice to set up an independent enterprise. Any gap in this capital for starting the new enterprise will be financed by the incubator from the seed-capital funds. The incubator will continue to provide marketing support to the independent enterprise through re-negotiated off-taker contracts. The new enterprises can serve as village resource persons supporting the project to facilitate group formation, savings mobilisation and enterprise development.

39. Establishment and improvement of feeder roads. The project will establish or rehabilitate a market-connecting road for easy evacuation of farm produce from the small contiguous farm lands, which may be provided government or community or individual, and developed/parcelling to beneficiaries by LIFE-ND. In this regard, LIFE-ND targets to establish or rehabilitate 180 km (30 km per state) market connecting feeder roads at an average of 7.5 km per feeder road. In addition, LIFE-ND will establish not more than 120 climate resilient small bridges/culverts for effective water/flood channelling. It will link the activities of the incubators and farmer organizations in Sub-component 1.1 to the market. For the sustainability of the feeder road infrastructure, LIFE-ND will support the establishment of a beneficiary-based road maintenance strategy by helping them to form operation and maintenance (O&M) committees to ensure sustainability of the infrastructure.

40. Land development. LIFE-ND will promote and upscale the land acquisition and development initiatives of VCDP, presently being adopted by Edo and Bayelsa states in the Niger Delta Region, to make agricultural land accessible (available) to the beneficiaries for production. LIFE-ND investment in land development will include stumping, harrowing, ploughing, levelling, drainage provision, water provision, tree planting and parceling. The established farm estate will assume the shape of the enterprise incubation model. In this case, the project will identify Enterprise Champions to drive the process. About 30,000ha of farm lands at the rate of 5,000ha per state will be established. From the 5,000ha per state, 1,000ha will be secured and developed for the Incubation Process while 4,000ha will be secured and developed for Apprentice Graduates who are interested in investing in arable/plantation crops. Each of the 1,000ha and 4,000ha per state, will be subdivided into 100 ha plots and distributed in the selected LGAs. Each plot of 100 ha will be assigned to an Enterprise Incubator to manage/mentor about 45 final beneficiaries, who will be given 2 plots each. In the 1000ha Incubation Centre, the Beneficiary (Apprentices) will be allowed to stay for two production cycles under the mentorship of the Incubator before he/she becomes an Independent Enterprise. The beneficiary (Apprentice) will leave after two production cycles for a new Apprentice. A management committee will be established by the beneficiaries in each farm estate for sustainability of the initiative. At his/her request, the Graduated Apprentice will be provided 2 to 3 ha of land to continue his/her business for not more than 5 years, this time, only at the guidance of an extension agent for business/technical support.

41. Production and processing structures. Consistent with Subcomponent 1.1, LIFE-ND will facilitate the provision of production and processing facilities including production structures such as collapsible fish tanks, fish earthen/concrete ponds, livestock production pens/chambers, water boreholes, mini-landing jetties (for boats picking up commodities on the creeks), small-scale irrigation schemes, etc., as well as processing facilities. The project will provide a standard weighing scale in each production and processing site to encourage the use of standard weighting scales by farmers and avoid conflicts that could occur between farmers and off-takers at the point of produce sales. About 60 standard weighing scales will be provided, 10 per state. Similarly, about 60 water points will be provided at the rate of 10 per state. LIFE-ND will support the formation and strengthening of water users committees to oversee the water boreholes and water points for sustainability.

42. Implementation: Land will be supplied by the government or community or individual while the project will be responsible for development, including parceling/distribution of the farm plots to the beneficiaries through a competent service provider. LIFE-ND project will also: (i) facilitate the provision of water points through a competent service provider, (ii) facilitate the provision of production structures through a seed capital arrangement or the service charge of the Enterprise Incubator; and (iii) for land acquisition, encourage a leasing agreement with the land owners (government, community, individual), which will define the period of the lease. LIFE-ND project expects that the tenure should not be less than 20 years after which the lease agreement could be renewed for a certain period. For individual owned land, the lease agreement would define the compensation to the landlord. Such agreement should be validated by the traditional leader of the community, who will also witness the signing. For government land, an MoU will be developed between the relevant government ministry or agency and LIFE-ND to be witnessed by a serving parliamentarian, either at the state or national level. LIFE-ND will develop a detailed strategy for land acquisition and distribution as well as the terms of engagement with the land owners during the first year of implementation.

43. The project may also invest in other market facilitating infrastructure such as cooling facilities, warehouses, and commodity aggregation/collection centres to improve market access and profitability of the agri-enterprises. The opportunities for investment in these areas will be identified in consultation with the farmer groups, Incubators and the new Enterprises where applicable. Detailed feasibility studies will be conducted including analysis of the environmental impact of the infrastructure interventions. In the case of production activities within each developed bulk land, a PPP implementation model will be adopted.

44. Physical implementation will be by service providers engaged competitively by the SPCO with the RPCO providing an oversight responsibility. The SPCO will use private sector contractors selected through an identified procurement process to provide production and market infrastructure after a thorough assessment of their feasibility, viability and environmental sustainability. Their provision will be contingent upon the establishment of a maintenance structure by the benefiting community or commodity members or entrepreneurs.

45. Environmental safeguards will be required for each infrastructure, including tree planting and drainages within the processing and aggregation hubs where necessary. Portable water and toilet facilities are to be provided especially within mini-bulk lands, processing clusters, and aggregation centres. Safe effluent and refuse disposal systems will be provided, including channelling of excess water from boreholes and rain water to avoid breeding of mosquito and other harmful insects.

46. Subcomponent 1.3: Financial inclusion support for agri-enterprises. The expected outcome from this subcomponent is that access to finance for agribusiness development in the rural communities is enhanced. The subcomponent will facilitate access to finance through: (i) savings promotion, (ii) payment systems and (iii) cashless credit in off-taker pre-financing arrangements. Other systems currently under development including Bank of Agriculture's credit facility and the Nigeria Insurance Risk-based Agricultural Lending Micro Small and Medium Enterprise Development Fund will be reviewed, based on their effectiveness for possible inclusion in LIFE-ND during MTR.

47. Savings Promotion. Lack of investment capital is a major challenge among the target group which hampers their establishment of enterprises and their ability to leverage loan finance. Based on lessons learned from the IFAD supported RUFIN, LIFE-ND will assist the development of a savings

culture and internal capital accumulation among individuals and groups in the project areas. LIFE-ND will initially demonstrate such models in the project communities and train a set of beneficiary promoters to champion and replicate these models within and around the villages based on service fees from the community. The further development of promoters as agents of financial suppliers in the rural areas will be supported. The Rural Outreach Coordination Committees (ROCC) approach, piloted under RUFIN43, will be used as the main platform for promoting and championing the adoption of these interventions by financial suppliers. The ROCC will also be used to promote beneficiary financing policies, products and delivery methodologies amongst the financial suppliers.

48. **Payment Systems.** Adoption of digital financial solutions will be promoted for improving rural outreach and for developing appropriate payment services towards efficient transaction between value chain actors. Based on innovations in the telecommunications and banking sectors resulting in over 20 service providers, LIFE-ND will support the development of competitive options to send and receive and store electronically cash for credit and payments among value chain actors.

49. **Off-taker pre-financing.** Building on the experiences of VCDP, the project will facilitate the formation of a Commodity Alliance Forum (CAF)⁴⁴ in the benefitting communities as a platform including the public sector, private sector, and smallholder producers. The CAF will network large off-takers (as VCDP has done with rice producers and Olam International) with aggregators, input suppliers, producers and public officials. This platform will pragmatically link producers to a sure market; identify producers' needs for inputs and services; and organize the local businesses to work in harmony. Based on this harmonization, large off-takers will be able to provide credit in kind by paying input and service providers to assist producers to maximize their yields under contract with the off-takers. Thus a system of cashless credit will be put in place whereby large players can finance the producers through the value chain and recover their investment from the producers' delivery of food commodities.

50. **Options to be explored at Mid-Term.** Several efforts are currently underway in the rural finance space which, though promising, are not yet assured of success or sustainability. Among these are two: (i) Bank of Agriculture (BoA) credit facility to finance support services and microenterprises which seeks to support service entrepreneurs such as spraying service providers, mechanised service providers, agro-dealers and others with at single digit interest rate, minimal guarantee requirements and flexible repayment duration depending on the nature of the enterprise. (ii) The Nigerian Incentive Based Risk Sharing System for Agricultural Lending (NIRSAL) to direct agro-financing to project supported agri-enterprises through financial suppliers in the project area. Based on their need, the suppliers will be connected to the NIRSAL guarantee scheme, which will enable them to receive Micro Small and Medium Enterprise Development Fund (MSMEDF) refinancing from CBN at two percent interest and 10 percent collateral deposit. These funds will be on-lent to enterprises at single digit interest rate and flexible repayment terms. As these two mechanisms are not yet smoothly functioning, seek to intervene in the market at rates of interest below inflation and are bureaucratically complex, LIFE-ND will evaluate at mid-term the degree to which they are functioning and available in the six targeted states and determine if partnership established through fee payments to the facilities is warranted.

51. **Subcomponent 1.4: Rural Institution Strengthening.** The expected outcome from this subcomponent is increased capacity of rural institutions to identify and address infrastructure, policy and regulatory challenges. This subcomponent will target public and private institutions such as: (i) rural institutions (farmers' organisations (FOs), community based organisations (CBOs), Incubators, CADAs etc.); and (ii) state ADPs. Rural institutions will be empowered with skills, knowledge and

⁴³ As a part of RUFIN's sustainability plan, the Central Bank committed to the establishment of a ROCC in each state to strengthen the outreach of financiers. Each ROCC is headed by the CBN and includes representatives from the National Association of Microfinance Banks (NAMB), Association of Non-bank Microfinance Institutions of Nigeria (ANMFIN), State Department of Cooperatives (SDC), Bank of Agriculture (BoA), the Small and Medium Enterprise Development Agency of Nigeria (SMEDAN) and the State Ministry of Agriculture. The purpose of the ROCC is to promote rural outreach of financial institutions operating in the state through different available models.

⁴⁴ CAF is a business transaction, knowledge sharing and policy dialogue platform involving farmers groups, off-takers, financial institutions with credible credit delivery services, input dealers, civil society organizations among others, where issues of mutual benefit are discussed. Being a private sector business forum, off-takers usually driver the process.

technical support, ADPs will be supported to improve the capacity of the state public extension system (ADPs and departments of extension) to adopt inclusive extension delivery system as appropriate. Furthermore, LIFE-ND will facilitate the establishment and/or strengthening of at least six youth advocacy platforms which will serve to promote the image of agriculture as a business among rural youth within and outside the Niger Delta region and to stimulate further private sector investment.

52. Capacity Building of Rural Institutions and development of Community Action Plans: The RPCO with support from a qualified service provider will conduct a participatory mapping exercise to situate institutions and assess capacity needs to develop a short to mid-term capacity building plan for each selected institution to assist in orientating youth and poor women in agribusiness development. Based on capacity building plans, training curricula will be developed/compiled where available the involvement of recognised research/training centres and/or universities will be sought, learning routes will be utilized. Areas of training will include planning, monitoring and evaluation, knowledge management, policy dialogue, funds/financial management and governance, procurement, group dynamics, nutrition knowledge, conflict mitigation, gender and climate change mainstreaming. The LIFE-ND will also expand this effort to include learning and knowledge sharing through south-south triangular cooperation. The effectiveness of trainings will be demonstrated through rural institution action plans and annual reporting by institutions. Support will be provided to market-oriented organizational forms to enable graduating youth entrepreneurs, apprentices to benefit from economies of scale in engaging with input and output players and Local Government. The shape the organizational form will be demand driven, while the likelihood for them to benefit either from existing framework through CADAs, the emerging CAFs or the establishment of new aggregation entities will be considered. Where capacity is available, the existing farmers' organisations may be used to facilitate graduated youth to expose them to good agribusiness practices. Any aggregation option (such as a group of apprentices or graduated youth) will be business-oriented and have the purpose of addressing constraints related to smallholder production and barriers to creating linkages to markets.

53. Organizational capacity building will focus on building social capital coupled with mainstreaming the business thinking in the aggregation process and help them come together to do things that contribute to higher profitability and to move away from running operations that are solely dependent on government or donor contributions. They will be facilitated to define how they do business with their customers based on a better understanding of buyers' needs, so that they can begin to prioritize activities that respond to reducing transaction costs and boosting profitability

54. Support to Public Extension System: LIFE-ND will improve the capacity of the state public extension system (ADPs and departments of extension) to adopt inclusive extension delivery system as appropriate. Such systems may include; NGOs, CSOs and private sector extension delivery. In this context, LIFE-ND will provide technical assistance to the ADPs (and their state ministry of agriculture) to become regulators to ensure high quality extension delivery by the private sector, as well as initiate new approaches to be up-scaled by the private sector. Consistent with the current Federal Government policy on extension, LIFE-ND will also support the establishment of a total of 60 one-stop-shop extension platforms; one in each participating local government. The output of this activity will be measured in terms of number of farmers receiving improved extension services.

55. Knowledge Sharing Platform: It is anticipated that significant knowledge will be generated at the various institutions level. This knowledge will be harnessed, packaged and shared by the PCO under Component 2 to enable stakeholders address policy issues relevant to the inclusion of youth and poor women in agriculture in their communities. Policy dialogue by the institutions will be on issues including: (i) insecurity of investments, (ii) double taxation, (iii) access to financial services, (iv) produce quality and standardization involving use of standard weight and measure. The project will support the establishment of periodic knowledge sharing events to discuss useful outcomes, lessons and challenges and have the opportunity to network and create partnerships. The stakeholders will broadly include: neighbouring communities, traditional institutions, schools and colleges, state institutions, national institutions, other development partners, and interested parties in the region.

56. The expected outputs are: (i) number of community action plans developed; (ii) annual status report developed by supported institutions; (iii) 80 percent of participating farmers using standard

weights and measures; (iv) at least six youth advocacy platforms established or strengthened per state; and (v) number of beneficiaries participating in nutrition activities.

Component 2: Project management and coordination – US\$ 10 million

57. The expected outcome of this component is: efficiently and effectively managed project achieving results with communication and knowledge management integrated in all aspects of operations. Building on the experience of CBNRMP, project coordination will remain decentralized to the community, LGA, state and federal levels. The RPCO will be located at the NDDC headquarters.

58. Project support at the RPCO and State Project Coordination Office (SPCO) will provide for staff, vehicles, office equipment and supplies, and operational costs. Staffing levels at the RPCO and SPCO will be kept to the barest minimum while technical assistance will be used in relevant fields as needed. At the LGA level, support will be for operational costs through the SPCO. The project will also provide for technical assistance support to the national LIFE Office.

59. The project will provide for training and workshops, studies and reviews, including monitoring and supervision, beneficiary and impact assessments.

Annex 1: Details on market infrastructure

Introduction

The market infrastructure sub component of the LIFE project will essentially provide the desire support and drive require to achieve the overall goals and objectives of the project. It is the enabler to market enterprises development. It is important the project has a sustainable path to the delivery of quality, efficient and effective market infrastructure. The entry point of the project being the Incubator, the institution will serve as the first point of call in the needs assessment drive for market infrastructure support to LIFE. The baseline survey earlier carried out had identified potential enterprises based on the comparative advantages that existed in the Nine Niger Delta states.

Positive List of Infrastructure projects

The following infrastructure projects are to be embarked upon by LIFE

1. Access Roads construction and Rehabilitation – including culverts and bridges
2. Mini landing Jetties
3. Aggregation centres
4. Agro Processing Buildings—Cassava, Rice, Fish, etc
5. Animal buildings – poultry , goatry, piggery
6. Land development activities
7. Small scale irrigation schemes
8. Aquaculture infrastructure— buildings, ponds—concrete / earthen

Implementation arrangements for market infrastructure

Physical implementation will be at the SPCO with the NPCO and RPCO providing oversight responsibilities. These infrastructures will be classified as being (a) public --- collective/ communal and (b) private—individual or group owned. The SPCO will use private contractors that are selected through identified procurement process to undertake the markets infrastructure projects. These will happen after an assessment of existing infrastructure to identify priority projects. All infrastructure projects must be feasible, viable and environmentally sustainable. Their provision will be contingent upon the establishment of a maintenance structure by the benefiting community or commodity members or entrepreneurs.

The environmental safeguards will comprise tree planting and drainages within the processing and aggregation hubs and where necessary. Portable water and toilet facilities are to be provided especially within processing clusters and aggregation centres. Safe effluent and refuse disposal system must be provided such that channelling of excess water from boreholes are made to avoid breeding of mosquito and other harmful insects.

Working with stakeholders

The project will jointly work with relevant stake holders at all in the provision of market infrastructure. Interventions will be jointly coordinated with applicable federal/state ministries and agencies as well as the local authorities. The beneficiaries must collectively with the support of the programme put in place a system for maintenance and sustainability of the water infrastructure. The users will be responsible for the day-to-day O&M of market infrastructure. The SPCO will support the establishment of the financial recovery (through agreed water charges) system of the schemes and provide training to the water management committees on O&M to ensure sustainability. Communities must certify that the rehabilitated/constructed market infrastructure has been delivered before final payment can be made to the contractor.

The following principles will apply for the implementation of activities under market infrastructure (i) collaboration with relevant Government Ministries and Agencies (including the LGAs that have a statutory responsibility for feeder road maintenance), as well as private consultants and contractors; (ii) strong participation of the beneficiaries, the key stakeholders and the communities in detailed planning and implementation to ensure local ownership and O&M responsibility; (iii) targeting of the infrastructure at production, processing and aggregation clusters; (iv) construction of all the infrastructures by private contractors through competitive bidding; and (v) capacity building of the beneficiaries and especially the management/maintenance committees to ensure sustainability of the infrastructure to be provided.

Institutional framework

The Market Infrastructure Engineer of the SPCO will be responsible for supervising all civil works, supported by the Engineers of the respective LGAs. The SPCO will form (where it does not exist) a community road maintenance committee or association under a tripartite MOU with the leaders of the benefiting community and the LGA to ensure that the LGA assumes responsibility for routine maintenance of feeder roads in collaboration with the community. The community members involved in the agri-enterprise(s) that brought about the infrastructure will take active participation in the maintenance arrangement. The SPCO will also sign an MoU with the concerned State Ministries so that they assume full responsibility for recurrent, periodic and emergency maintenance which are beyond the capacity of the LGAs so as to ensure a stable financial base for maintenance. The SPCO action will be aligned to the FGN Draft National Transport Policy, which proposes to give top priority to effective routine, periodic and emergency maintenance of rural roads in all LGAs and communities through the use of Rural Maintenance Team that will be created at LGA level. The SPCO will work with the appropriate authority at the federal level to ensure the creation of the proposed Rural Maintenance Team in the participating LGAs and monitor their performance. It will ensure that MoU are developed and signed by relevant parties including community representative and representative of FOs before execution of work commences. If applicable, the SPMU will also collaborate with the Ministry of Commerce and Industry, municipalities and/or Local Government Councils (LGCs) to facilitate the construction or rehabilitation of assemble markets and processing infrastructures in the target LGAs. The training of a 1,200 team/gang on the Operation and Maintenance of physical market infrastructures will be carried out.

Accessibility to Land Resource

Market infrastructure will require the availability of land resource for their provision. The arrangement made for land will go a long way in determining sustainability of market infrastructure. Land development and Irrigation activities and Roads construction require large expanse of land. 3,000 hectares of land are to be developed and 900 Hectares of land for dry season vegetable farming. 180 km of farm access roads are target for entire programme life. The justification for the investment in these infrastructures is based on that fact that there is positive return on investment, that the government or the community has guaranteed the lease of such land to the beneficiaries during the programme life, and that a strategies for the maintenance and sustainability of the infrastructure will be developed by concerned parties.

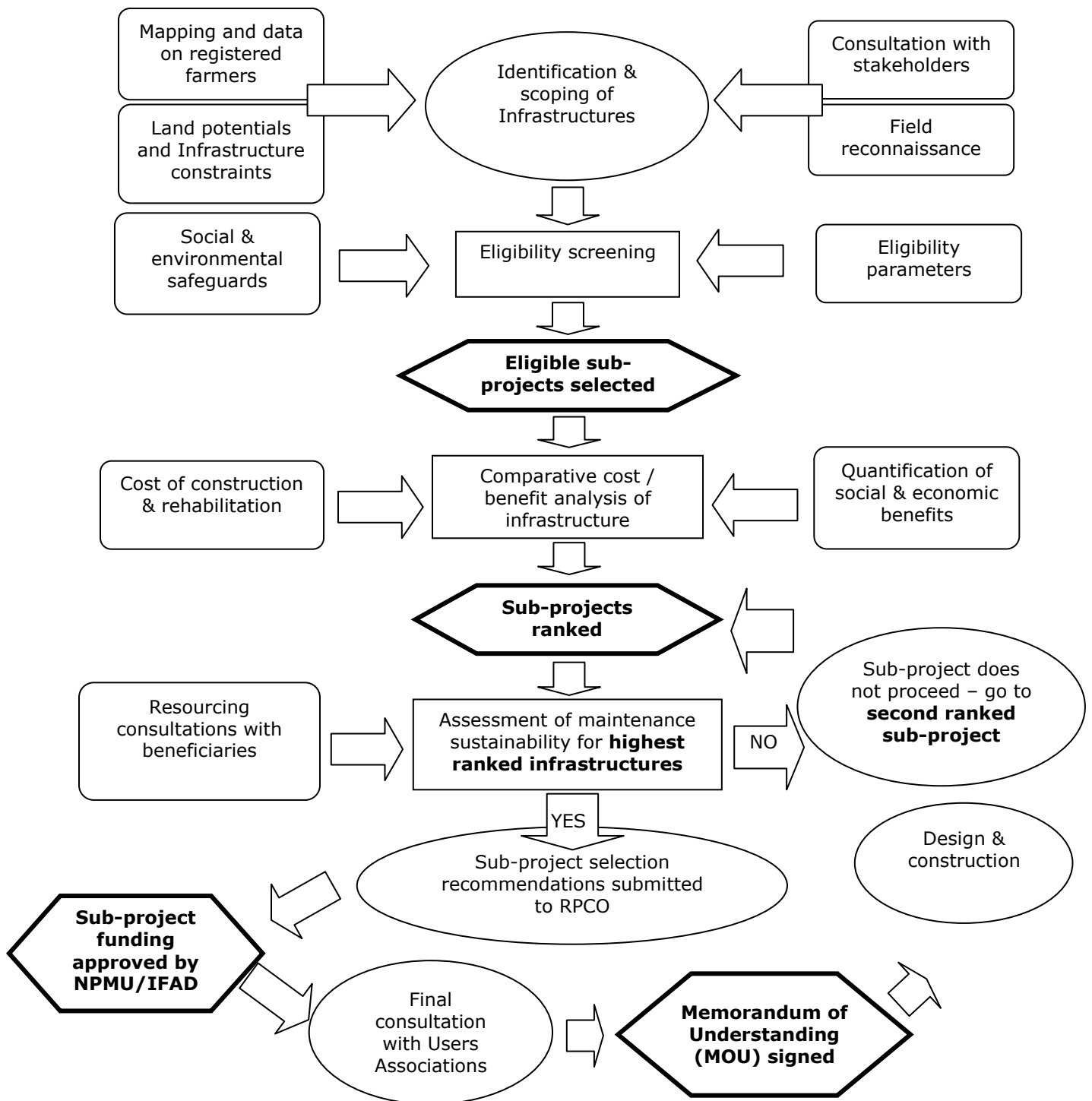
Guidelines for preparation of infrastructure

The following steps will be followed during the preparation process for infrastructure:

- The RPCO in collaboration with the SPCO, the LGA and other stakeholders will identify and scope all infrastructure that will enhance enterprise development within the target area through studies, surveys and beneficiary need assessments for consideration.
- The identified sub-projects are screened to eliminate those that do not meet the project eligibility criteria.
- Ranking of the individual sub-projects based on comparative socio-economic cost/ benefit analysis related to the value chain and for the final selection to fall within the limit of allocation of each infrastructure for each LGA.
- Maintenance sustainability assessment of top-ranked sub-projects.
- Approval to implement the top-ranked sub-project.

Individual infrastructure sub-projects for individual incubators, groups or clusters are estimated to cost between US\$10,000 and US\$150,000. The financing of infrastructural sub-projects would be in form of grants with the Programme contributing a maximum of 90% (disbursed in tranches, depending on the project cost, implementation period and the capacity of the beneficiaries) of the total cost of the sub-project and a minimum of 10% of total cost through up-front cash or in kind (provision of labour, materials or both) in contributions by the beneficiaries. The preparation of infrastructure for individual incubators, groups or clusters will involve consultation with the active participants and all other stakeholders to obtain their agreement to the scope and nature of the investment, and the roles and responsibilities of each party in the operation and maintenance of the infrastructure when completed.

Figure 1: Market Infrastructure: preparation of investments – flow chart



Detailed implementation arrangements

1. **Identification and scoping:** This involves the compilation of a schedule of all the infrastructures - with a concise but definitive description of each - that may be considered for further assessment, and the list will be circulated to the stakeholders for comment. The identification and scoping will be the outcome of a data collection and consultation process set out as follows: (a) *mapping and data on registered farmers and other VC actors:* All available topographic mapping should be obtained, at 1:100,000 scale or better, covering the target area(s) of intervention, to initially identify list of infrastructure demands within the target area(s). Also demographic data relating to the beneficiary households and the list of registered farmers; (b) *land potentials and infrastructure constraints:* Information on agriculture potentials and infrastructure constraints will be identified from appropriate authorities; (c) *consultation with stakeholders:* The SPCO will be required to consult directly and extensively throughout the process with all the potential stakeholders - in both the private and public sector - that might have an interest in the selection of infrastructure sub-projects. This will include the investors, agro-processors and market operators within the target area that are not directly involved in the intervention but might be affected by the Programme activities, as well as the community leaders. The purpose of this consultation will be not only to disseminate information and report on Programme progress, but to ensure that all parties contribute and consent to decisions affecting the selection process as it develops; and (d) *field reconnaissance:* the purpose of which is to confirm the accuracy or otherwise of secondary data obtained from various sources, to identify existing infrastructure, and to carry out an initial visual inspection and condition survey of each area that might be considered for the intervention.

2. **Selection of eligible sub-projects:** The infrastructure identified above will undergo an initial screening to ensure that those selected for comparative ranking fully meet the objectives of the Programme. Only those sections which pass the screening test will be selected to proceed to the next stage. The considerations at this stage are: (a) *eligibility screening parameters:* candidate infrastructures should broadly fit within the framework envisaged for Subcomponent 1.2 - to enhance production and processing, to serve the target cluster groups, to provide access between farmers and buying point, not to pose serious physical challenges to maintenance, and not to result in any land compensation claims; and (b) *environmental and social safeguards:* to minimize the possibility of infrastructure development resulting in serious adverse social or environmental impacts, all candidate infrastructures will be screened against a wide range of potential impacts.

3. **Ranking of sub-projects:** Due to the limited scope and funding, only infrastructures that will impact the development of the selected beneficiaries will be implemented. The selection of infrastructure will therefore be undertaken by means of comparative cost/benefit analysis leading to a ranking of the individual candidates. The comparative analysis will be based on: (a) *assessed whole-life cost of construction/rehabilitation and maintenance:* the construction/rehabilitation cost will be estimated from the visual condition survey undertaken as part of the identification process above, while the maintenance cost will be taken over a nominal 20-year asset lifetime; (b) *assessed value of social and economic benefits:* for the purposes of this exercise, only the benefits accruing to the producers served by the infrastructure will be assessed. The direct financial benefits of increased production capacity and market prices for farmers, and reduced vehicle operating costs for both the investors and smallholders, will be added to assessed indirect benefits of improved access to markets, health and education, policing, public transport etc. The detailed work for quantifying and weighting the benefits will be prepared in the business plan for each investment and given to all stakeholders during the initial consultation stage.

4. **Assessment of maintenance sustainability:** The project will provide limited funding for the menu of infrastructures identified for which there is a firm commitment to a sustainable maintenance regime. Each SPCO will consult with all the stakeholders – investors, beneficiaries, state and local governments - of the highest ranked infrastructures to obtain a commitment from all parties to resource the routine, periodic and emergency maintenance for the infrastructure as a condition for funding the work. Should such a commitment not be forthcoming within a reasonable period – say one month – or if any affected party decides that they do not wish to proceed with the sub-project, then the SPCO will notify the RPCO for next step of action.

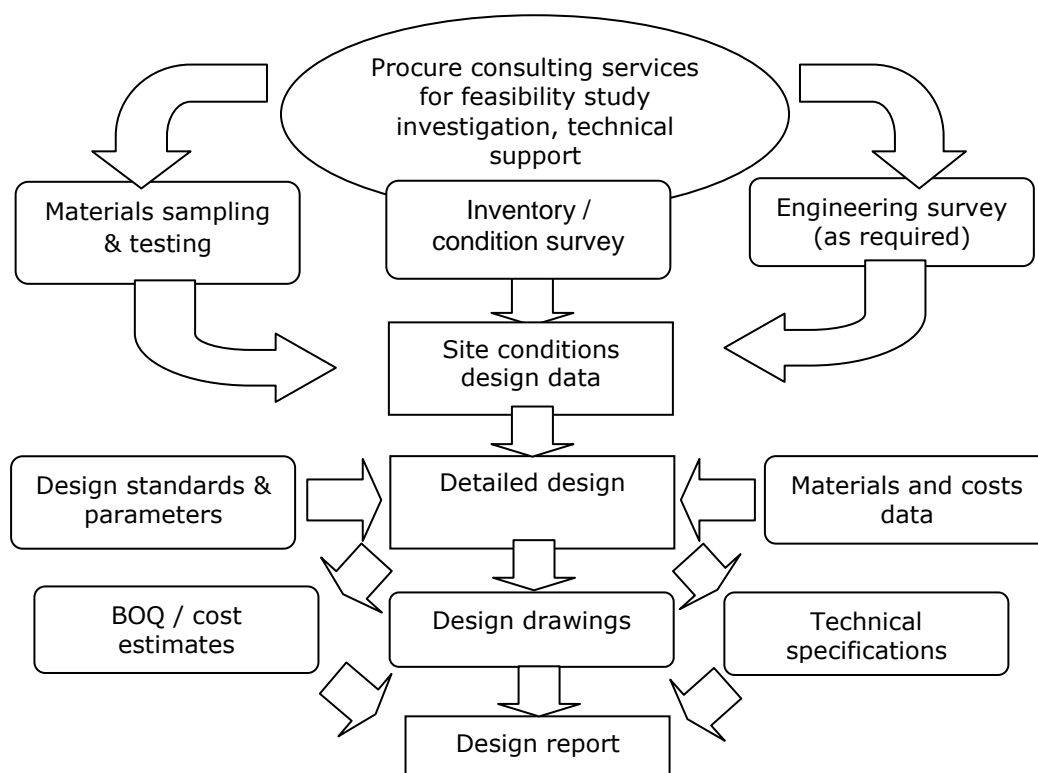
5. **Approval by the RPCO:** It is expected that the market infrastructure preparation process and implementation will follow an annual cycle. On this basis the SPCO will repeat the process described above for over a period of 6 months, and submit the list of highest ranked sub-projects, as part of Market Infrastructure Selection Report to the RPCO for funding approval.

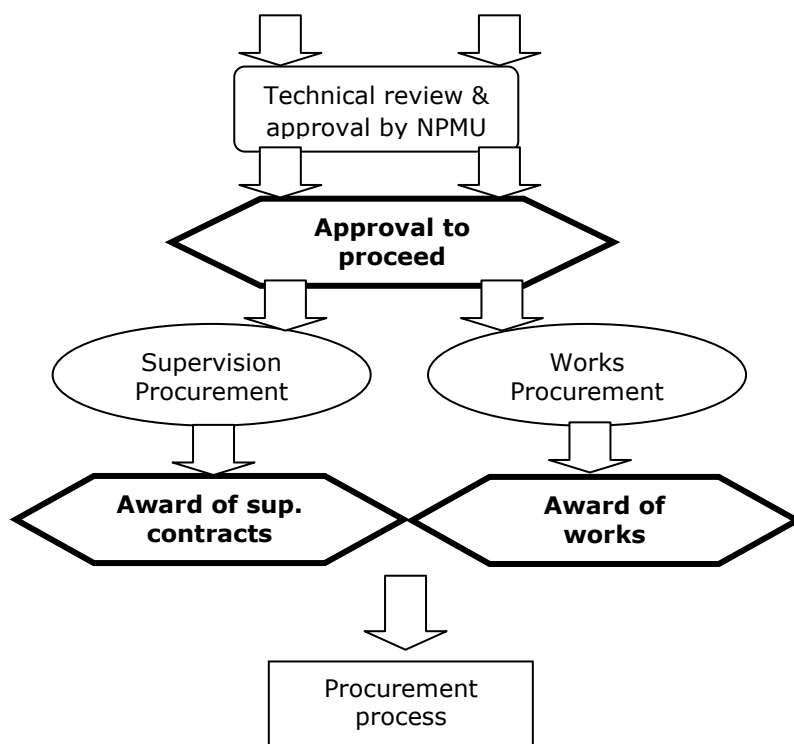
6. **Memorandum of understanding:** Once the funding approval is secured, the User Association commitment to sustainable maintenance of the highest-ranked infrastructure will be formalised through an MOU negotiated between and willingly consented to by all the parties, facilitated by the SPCO, setting out the roles and responsibilities of each party.

7. **Evolving process/stages**

Stage 1: Pre-construction stage: This stage involves site investigation, detailed design and bid documentation, procurement of works and consulting services which will be implemented as follows: (a) procure technical support services – RPCO will engage the services of a firm to provide technical services on the conduct of feasibility study, survey, design and development of Bill of Engineering Measurement and Estimates. This will ensure standardization, brand identity and quality control. The final method of selection for the works will depend on the availability of service providers and the scope of services required. The Regional Infrastructure Engineer with consultation with the State Engineer will prepare the necessary documentation – ToR, Request for Proposals – and will lead the procurement process. The Procurement Officer at the regional and state level will vet these documents for onward transmission for IFAD No Objection by the coordinators. Sufficient time will be provided for the procurement process to ensure that the service provider(s) can commence their duties immediately following approval of the sub-project; (b) approval of design and cost estimates - The consultant will submit the design report to RPCO and for technical review, comments and approval of the design and to proceed with the procurement process; (c) bid documentation - The Procurement Officer unit will prepare bidding documents for the construction contracts, and packaged accordingly. The documents will incorporate technical specifications, drawings and Bills of Quantities and any other relevant technical information; (d) procurement process – for Works Contracts, the bidding process, evaluation of bids and award of construction contracts will be undertaken in full accordance with the Procurement Guidelines; and for Construction supervision, selection of consultants (firms or individuals) to undertake construction supervision will be carried out in accordance with the Procurement Guidelines.

Figure 2: Implementation of pre-construction stage – flow chart





Stage 2: Construction stage: The supervision of all works will be under the responsibility of the RPCO and administered on its behalf by the SPCO, LGA Engineers and the consultant. Following award of the works contracts, the works will be carried out according to a construction programme agreed in advance. The works will be inspected on a regular basis to ensure the contractors comply fully with the drawings and technical specifications, environmental and social safeguards and other contract conditions, and maintain progress according to the programme.

The works contracts will be administered by the SPCO on behalf of the RPCO. During the course of each contract, monthly site meetings will be held to review progress and to resolve technical and/or contractual issues that have arisen. All construction works contracts will include a defects liability period, of between 6 and 12 months, to provide for rectification of any construction defects that appear after the works are certified as completed and the infrastructure is in use.

Stage 3: Operation & maintenance stage: Once the works contracts are certified as completed, it will be formally handed over by the RPCO in collaboration with the SPCO to the User Association for operation and maintenance purposes.

8. **Mode of Payment to Contractors:** Generally, payments to service providers under the project are to be made in tranches. The first payment is the Material Advance Payment which should not be more than 30% of the total contract sum and backed with an Advance Payment Security issued by a reliable bank. The remaining 70% shall be paid in two tranches based on the progress reports and Certificate Valuation raised by the State Engineer or the supervising engineer. Payments for sub-projects that are executed by the community themselves through Direct Labour usually attract 75% of the total amount for the procurement of all the materials required in bulk to avoid change in prices of materials along the line. The final payment for the unpaid labour is made after the sub-project execution and certified by the State supervising engineer.

9. **Description of positive list of market infrastructure:** The baseline survey conducted indicates the following list of market infrastructure supportive to LIFE project. LIFE being a category B project under SECAP categorization, detailed Environmental Social Management Plan must be carried out before the commencement of any infrastructure work. Free Prior Informed Consent (FPIC) of those likely to be deprived of their resource – e.g land, shrines, buildings etc should be gotten and well documented.

Road Construction/ improvement/rehabilitation

- Access roads (4.0m width) including design, supervision and training
- Feeder roads (6.0m width) including design, supervision and training
- Culverts --Box and Ring (600mm & 900mm pipe) culverts and Drifts including design, supervision and training
- Bridges

LIFE will embark on minor roads projects that are likely within budgetary provision. The projects will be such that support agricultural enterprises and activities. Detailed engineering designs and studies are to be carried out. The LIFE project will restrict itself to earth roads with appropriate laboratory tests carried out at each stage of construction operations. Tests such as compressive strength test on concrete, compaction tests – proctor tests, particle size distribution test, tensile strength test on reinforcements are required.

Land Development activities

Land development is to be done with the intention of creating a potential use for agricultural purposes. Land clearing requires the removal of native cover – including trees, bushes and boulders – from the land surface. The land is subsequently broken to create a workable bed into which a crop can be seeded. Land breaking includes the removal of roots, stumps and rocks.

All trees of value for the purposes of generating lumber, posts, or firewood should be selectively removed prior to clearing. An appropriate buffer zone should be preserved along all watercourses to maintain important habitat for fish and wildlife.

Generally, land should be cleared usually during the dry season when the ground and precipitation and runoff are typically low. Year-end land clearing also minimizes soil compaction and prevents excessive amounts of soil from being introduced in brush piles. Natural vegetation should be retained in drainage paths such as creeks and gullies to reduce the risk of soil erosion and damage to riparian areas.

Brush and stumps are piled into windrows using a brush-rake, after which they are burned. A brush-rake is typically a bulldozer blade with spikes along the bottom edge. If the burn is incomplete, windrows should be piled anew and burned again the following spring.

Water resources based Infrastructures

- Groundwater infrastructure (deep wells), including mini water scheme (borehole with submersible pump, overhead tank, generator room, generator and battery of taps).
- Irrigation system infrastructures, including: Type A: Small size (01-1.0 Ha) surface irrigation system, Type B: Small size, sprinkler (0.1-1.0Ha) irrigation system.
- Drainage of agricultural land.

It is generally recommended that solar powered borehole be constructed.

Agro and processing Buildings

- Aggregation Centres
 - Ventilated Improved Pit (VIP) latrine
 - Agro Processing infrastructure for array of enterprises (Cassava, Rice , Fish, Cocoa)
 - Animal Buildings—Poultry, Goatry and Piggery
- Designs of agro and processing buildings should largely conform to National Building Code 2006

Aquaculture infrastructure

- Earth ponds
- Concrete fish ponds
- Fish farm buildings housing – plastic tanks, poly fibre tanks

10. Environmental Impacts -- infrastructure projects

Dust: Dust is defined as fine-grained suspended particulate in air. The degree to which individuals perceive dust to be a nuisance will depend on the frequency, intensity and duration of a dust-generating event.

Farmers engage in a variety of activities that require the use of equipment or practices that will create dust. Most land clearing equipment generates some dust. Dust may also be generated as fugitive dust when fine particulates are lifted from fields, roads, buildings and yards via air turbulence. Dust protectors such as masks should be worn by operators and water spray used to reduce level of dust

Ground Movement/ Vibration/ Noise: Heavy equipment used for road construction create ground movement such that cracks can occur in adjacent buildings. These can also create some form of discomfort to inhabitants of the surroundings. An assessment of surrounding buildings should be carried out to ascertain the level of susceptibility to cracks as a of ground movement. The buildings are to be strengthened and compensation paid for damages where it is unavoidable.

Noise is also a major concern from equipment. Construction equipment with moderate decibel should be used and regulated considering timing when people will experience less discomfort.

Deforestation: Removal of vegetation cover and trees during construction can lead to deforestation. These should be guided against when avoidable. Tree and vegetation replanting exercise should be carried out.

Underground water contamination: Unchecked and unmonitored underground exploration during borehole construction can lead to ground water contamination. Best practices should applied during the construction of boreholes while also conducting appropriate studies prior to construction.

Flooding/ Erosion: Flooding and erosion can take place due to poor judgement and wrong design and construction practice. Adequate drainages should be provided for surface water run-off and vegetation cover provided for slopes where they occur. Unnecessary dug out / excavation of soil from their natural terrain should be avoided. Replacement of dug out soils should be carried out when necessary.

Federal Government of Nigeria
 Livelihood Improvement Family Enterprises in the Niger Delta
 Project Design Report

Support to Market Infrastructure																				
Subcomponent	Outcome	Output	Activity	Who's Responsible	Unit	Unit Cost N '000	Quantities							LOP Target	Total Cost (Naira) '000	Total Cost (USD) '000	Remark	% of total cost to be made foreign	Physical Challenges	Expenditure Category
							YR 1	YR 2	YR 3	YR 4	YR5	YR6	YR7							
Institutional Strengthening																				
		Priority infrastructure identified	Inventory/needs assessment of market infrastructure	SPCO-- Engineer +Rural Institution	no	3,000	9							9	27,000	89				
	Standardization in the O & M modalities	O &M manual produced	Preparation and development of Operation and a Maintenance guidelines/ Manual	RPCO Engineer	no	5,000	1				1			2	10,000	33				
	Durable and functional Infrastructure	120 persons trained on O &M	Training of Water User Association and Operation and Maintenance Team	RPCO + SPCO Engineer	no	500		30			12			42	21,000	69				
														0	-	-				
	Standardization in specification and implementation details	Manual on Market Infrastructure delivered	Development of Prototype engineering designs/ estimates of typical Market Infrastructure	RPCO- Engineer + Service Provider	no	20,000	1							1	20,000	66				
	Quality Control, Timeliness and Value for money	Projects completed according to contractual agreement	Supervision of Infrastructure Construction and Rehabilitation	RPCO + SPCO + Service Provider	LS	100,000	0.1	0.1	0.2	0.2	0.15	0.15	0.1	1	100,000	328				
Support with market Infrastructure																				
			Construction and Rehabilitation of Farm Access Roads	SPCO + SP	no	15,000		60		60			60	180	2,700,000	8,852	30 no per state			
			Construction of Culverts	SPCO +SP	no	3,000		50		50			20	120	360,000	1,180	20 per state			
			Construction of Bridges	SPCO +SP	no	10,000		6		6				12	120,000	393	2 per state			
			Construction	SPCO +SP	no	40,000		2						2			state			

Federal Government of Nigeria
 Livelihood Improvement Family Enterprises in the Niger Delta
 Project Design Report

Support to Market Infrastructure				Quantities																	
			and Rehabilitation of Mini Jetties											80,000	262	dependent					
			Provision of Water Supply Schemes-- Solar Powered Boreholes	SPCO +SP	no	10,000	20	40	40	10	10			120	1,200,000	3,934	20 per state				
			Fish Farm Buiding Construction and rehabilitation	Incubators + SP	no	25,000		5	5	5	5			20	500,000	1,639	Av 3 farms per state				
			Earth Ponds Construction and Rehabilitation	Incubators + SP	no	1,000	10	20	10	20				60	60,000	197	5 no per state				
			Agro Processing Facilities (Cassava, Rice, Plam Oil)	Incubators + SP	no	30,000	10	10	10					30	900,000	2,951	5 processing centres per state				
			Aggregation Centres	SPCO +SP	no	30,000		10	5		3			18	540,000	1,770	3 no per state				
			Construction and Rehabilitation of Poultry Buildings	Incubators + SP	no	25,000		4	4	2	2			12	300,000	984	2 no per state				
			Construction and Rehabilitation of Piggery Buildings	Incubators + SP	no	20,000		4	4	2	2			12	240,000	787	2 no per state				
			Land Development Activities	SPCO +SP	Hectares	500	500	900	1,200	400				3000	1,500,000	4,918	500 hectares per state				
			Dry Season Irrigation Schemes-- Vegetables	Beneficiaries +SP	Hectares	350	200	600		100				900	315,000	1,033	150 hectares per state				
														-							
			TOTAL											8,993,000	29,485						
						SUMMARY OF INFR. BUDGET															
						NAIRA = 8,993,000,000															
						US\$ = 29,485,246															

Appendix 5: Institutional aspects and implementation arrangements

Institutional framework for project implementation

1. Implementation of the project will be governed by five main principles: (i) alignment, to the extent possible, with the Federal Government's systems and procedures - especially those governing public expenditure management and procurement; (ii) performance-based engagement of private sector Implementation partners; (iii) continuous monitoring of public sector implementing partners and ensuring that their capacity is adequately strengthened so as to enable them to deliver on their mandates; (iv) empowerment of beneficiaries to take a leading role in project implementation through their grassroots institutions; and (v) stronger partnerships and harmonization with other development partners and stakeholders in the sector.

2. LIFE will be coordinated and implemented through existing institutions used for CBNRMP. The lead agency remains the Federal Ministry of Agriculture and Rural Development (FMARD). It will share oversight functions, through the National Steering Committee, with other ministries and agencies including the federal ministries responsible for Water Resources, Finance, National Planning and Budget, Women Affairs, Environment and Labour, the NDDC, Central Bank of Nigeria (CBN) and Manufacturers Association of Nigeria (MAN). In particular, the technical oversight of the project will be delegated to the Technical Support Committee headed by the Managing Director of the Niger Delta Development Commission (NDDC). The institutions to be involved in project implementation, their capabilities, and their roles and responsibilities are summarised in Table 1.

Project management

3. The lead governance body for the project will be the **National Steering Committee (NSC)**, chaired by the Honourable Minister of Agriculture. The NSC will be responsible for oversight of the project and providing policy guidance to project implementation. Other members of the NSC will include the Permanent Secretary of the FMARD, and representatives of NDDC, FMF, Federal Ministry of National Planning and Budget, Federal Ministries of Women Affairs, Water Resources, Environment, and Labour, CBN and Manufacturers Association of Nigeria (MAN). The NSC will meet twice in a year to review progress, review lessons learned and good practices, and approve AWPBs. The National LIFE Programme Coordinator will serve as Secretary to the NSC.

4. The **National LIFE Programme Office (NLPO)** based in Abuja will oversee the IFAD-assisted LIFE project, focusing on policy dialogue, integrating and up-scaling the successes recorded by the project into the National LIFE Programme, knowledge sharing, and facilitating linkage with national institutions including CBN, FMF, SMEDAN etc. IFAD will provide some financial resources from the loan proceeds to support the NLPO.

5. At the regional level, a **Technical Support Committee (TSC)** chaired by the Managing Director of NDDC, will comprise of the NDDC Director of Agriculture and Fisheries, National Programme Coordinator of LIFE, Regional Project Coordinator (who serves as Secretary), representative of FMF, representatives of recognised youth and women organisations, and a representative of the Commodity Alliance Forum from each participating state. Relevant financial institutions and research institutions could be co-opted when necessary. The TSC will meet quarterly to review progress of project implementation, assess management effectiveness, decide on corrective measures where appropriate, provide guidance for the smooth implementation of the project activities, and review the AWPB before its submission to the NSC for approval.

6. Day-to-day management of the project will be undertaken by the **Regional Project Coordination Office (RPCO)** housed (virtually) in NDDC Headquarters in Port Harcourt. The RPCO will have direct responsibility for supervision, technical support and coordination of the activities of the State Project Coordination Offices (SPCOs). Headed by the Regional Project Coordinator (RPC), the RPCO will have professional staff as well as subject matter specialists who will be hired when the need arises under the technical assistance category of the project. A suitably qualified staff from

NDDC's Directorate of Agriculture and Fisheries will be deployed to work in the RPCO as one of the professional staff. Such staff shall report to the Regional Project Coordinator.

Table 1: The roles, responsibility and capabilities of key institutions and actors for implementation of LIFE

Institution	Role under LIFE	Strength	Constraints
Federal Ministry of Agriculture and Rural Development (FMARD)	<ul style="list-style-type: none"> • Lead implementing agency • Project supervision 	<ul style="list-style-type: none"> • Statutory responsibility for sector policy and regulation of agricultural, natural resources, forestry and veterinary research all over Nigeria. • Leads FGN's effort to diversify the national economy with emphasis on agro-based industrialization, youth employment and stimulation of the rural economy. • Lead agency for all donor-assisted programmes/projects in the sector and hence familiarity with IFAD and IFAD processes. • Prioritizes working with the private sector for impact. 	<ul style="list-style-type: none"> • Inadequate staff to drive agribusiness development • Yet to resuscitate a coordination unit for development interventions, to ensure synergy among the donor-assisted programmes. (The Ministry is planning to do this.)⁴⁵ • Inadequate budgetary provisions
Federal Ministry of Finance (FMF)	<ul style="list-style-type: none"> • Member of National Steering Committee, Technical Support Committee • Project supervision 	<ul style="list-style-type: none"> • Statutorily responsible for managing the finances of FGN. Also the Borrower. • Dedicated department (International Economic Relations) responsible for the coordination and oversight of the activities of development partners, raising opportunities for government ownership. • Participation in the project cycle provides staff of FMF strong knowledge of developments in project implementation. 	<ul style="list-style-type: none"> • Conflicting work schedules sometimes limit full staff participation in supervision.
Federal Ministry of Budget and Planning	<ul style="list-style-type: none"> • Member of National Steering Committee 	<ul style="list-style-type: none"> • Statutorily responsible to prepare poverty reduction strategies, macroeconomic policies, the national development plan, medium term strategy for Vision 20:20, and annual budgets in collaboration with FMF. • Monitoring economic development trend and evaluating economic programme performance puts the Ministry in a good position for knowledge management and dissemination of good practices for scaling up as well as to nip in the bud bad economic practices. 	<ul style="list-style-type: none"> •
Federal Ministry of Water Resources (FMWR)	<ul style="list-style-type: none"> • Member of National Steering Committee 	<ul style="list-style-type: none"> • Statutorily responsible to develop and implement policies, projects and programmes for sustainable access to safe and sufficient water to meet the social, cultural, environmental and economic development needs of all Nigerians. • Provides guidance and regulation of irrigation development. 	<ul style="list-style-type: none"> •

⁴⁵ The Project Coordination Unit (PCU) used to supervise donor-funded projects, follow up on the recommendations of donor supervision missions, facilitate inclusion of the project budget in the Ministry's annual budget and ensure adequate release of the funds, and ensure knowledge sharing on the successes of the projects. However the PCU was scrapped in 2007. In October 2009, the then Federal Ministry of Agriculture and Water Resources (FMAWR) directed that the Federal Department of Cooperatives should coordinate all multilateral and bilateral interventions. However, three months later, on 29 January, 2010, the FMAWR created a "National Programme for Agriculture and Food Security" as the new secretariat to coordinate all donor-assisted interventions. In April 2010, FMAWR itself was split into two ministries as was the situation prior to May 2007 – FMARD and Federal Ministry of Water Resources (FMWR).

Institution	Role under LIFE	Strength	Constraints
Federal Ministry of Women Affairs	<ul style="list-style-type: none"> Member of National Steering Committee to strengthen focus on gender equality under the project 	<ul style="list-style-type: none"> Influenced the formulation of government policies in favour of women, including the National Gender Policy of 2006 which advocates for non-discrimination on the basis of gender, and guarantees equal access to political, social and economic wealth creation opportunities for women and men. The conceptual policy framework provides the opportunity for developing linkages with donors, the private sector and civil society. 	<ul style="list-style-type: none">
Federal Ministry of Environment	<ul style="list-style-type: none"> Member of National Steering Committee 	<ul style="list-style-type: none"> Statutorily to ensure effective coordination of all environmental and climate change matters, in the areas of policy, awareness, enforcement and intervention. Facilitated the start of the UNEP-led clean-up of oil-impacted Ogoni land. 	<ul style="list-style-type: none">
Federal Ministry of Labour and Productivity	<ul style="list-style-type: none"> Member of National Steering Committee 	<ul style="list-style-type: none"> Statutorily to oversee productivity, employment and labour matters. Strong focus on youth employment. 	<ul style="list-style-type: none">
Central Bank of Nigeria (CBN)	<ul style="list-style-type: none"> Member of National Steering Committee 	<ul style="list-style-type: none"> Statutorily to provide a stable framework for the economic development of Nigeria through effective monetary and exchange rate policy, and management of the financial sector. CBN champions agricultural financing, drives the financial inclusion strategy and is the custodian of microfinance policy. CBN maintains strong implementation linkages with FMARD and the IFAD-assisted RUFIN in rural finance, and has developed incentive policies promoting agricultural and rural micro-enterprise financing, including the agricultural credit guarantee scheme and the Anchor Borrowers Programme aimed at providing financial credit to smallholder farmers at a reduced interest rate and with minimal collateral requirements. 	<ul style="list-style-type: none">
Manufacturers Association of Nigeria (MAN)	<ul style="list-style-type: none"> Member National Steering Committee 	<ul style="list-style-type: none"> A national industrial association serving and representing over 2,500 manufacturing companies in the private sector. Has a mission to work with government and other stakeholders to promote an enabling environment for industrial development and growth. 	<ul style="list-style-type: none">
Niger Delta Development Commission (NDDC)	<ul style="list-style-type: none"> Member National Steering Committee Chair of Technical Support Committee 	<ul style="list-style-type: none"> Mandate for social, economic, infrastructural development of the nine states of the Niger Delta region. Provided financial grant support to CBNRMP equivalent to amount of IFAD loan. Has a Directorate for Agriculture and Fisheries which interfaces with donor and other stakeholders investing in the agricultural sector. Recognizes enterprise development for youth as a key solution to reducing youth restiveness in the region. 	<ul style="list-style-type: none"> Delays in release of budgeted funds for project implementation affected results for CBNRMP
Agricultural	<ul style="list-style-type: none"> Will house the SPCO 	<ul style="list-style-type: none"> Established as semi-autonomous agricultural extension service agency of the 	<ul style="list-style-type: none"> Due to lack of financial support

Institution	Role under LIFE	Strength	Constraints
Development Programme (State)	and provide service to the project (mobilization of youth/women, quality assurance of private extension services, M&E support). The project is expected to support the ADP to carry out these functions	<p>State Ministry of Agriculture and Natural Resources, with World Bank support. Responsible for disseminating proven agricultural technologies to farmers.</p> <ul style="list-style-type: none"> • Has established network from the state to the LGA and village level. • In the past the ADP, equipped with enough resources from donors and government, delivered effective and efficient public sector agricultural extension service, and housed and implemented all the donor-assisted projects in the state. • Recently, the FMARD through the Department of Agricultural Extension has embarked on a series of support activities to strengthen the ADP system with a view to revitalize them for better performance as a public sector extension service. • ADP structure/network is capable of supporting LIFE project in mobilization/ profiling of youth/women agri-entrepreneurs, quality assurance of private extension service providers, and M&E support. 	from donors and government, agricultural extension service delivery to the grassroots farmers had reduced considerably.
National Agricultural Research System (NARS)	<ul style="list-style-type: none"> • Technical service provider 	<ul style="list-style-type: none"> • Coordinated by the Agricultural Research Council of Nigeria (ARCN), comprises 18 agricultural research institutes dealing with various subsectors of agriculture including crops, livestock and fishery production systems and agro-allied industrial research. • ARCN also oversees the federal colleges of agriculture for training middle level manpower for agriculture, vocational training on agricultural enterprises with a view to promote agri-entrepreneurs. • Technology development and investment promotion are the focus of institutes such as the Raw Materials Development Council, Federal Institute for Industrial Research and National Centre for Agricultural Mechanization. • Opportunities offered by these institutions to collaborate with LIFE to provide agro-processing and mechanization options. 	<ul style="list-style-type: none"> •
Small and Medium Enterprise Development Agency (SMEDAN)	<ul style="list-style-type: none"> • Technical service provider 	<ul style="list-style-type: none"> • Focal point for micro, small and medium enterprises (MSME) development and related policy support. • Wide outreach, operating at federal, state and LGA levels, through the activities of business service centres (BSCs) and business information centres (BICs) supported by service providers. • Has strong partnerships, networking and collaborative activities with donor funded projects and relevant agencies. 	<ul style="list-style-type: none"> •
Local Government Council (LGC)	<ul style="list-style-type: none"> • Provide a Desk Officer, mainly for monitoring • Facilitate access of 	<ul style="list-style-type: none"> • Statutorily the third tier of government for local development. • The Agriculture Department of the LGC is responsible for implementing policies and projects for agricultural development, and it had experience in mobilizing participants for CBNRMP. 	<ul style="list-style-type: none"> • In most states, the LGC has lost its autonomy in budgeting to the state government and faces severe fund shortage to support project operations.

Institution	Role under LIFE	Strength	Constraints
Commodity Apex Development Association (CADA)	<ul style="list-style-type: none"> • Participate in identification of apprentices for incubation system. • Manage seed capital for apprentices as revolving fund 	<ul style="list-style-type: none"> • Umbrella organization of different commodity groups facilitated by CBNRMP. • Institution building model for rural governance and decentralization of resources to communities and commodity groups. • Served as entry point for CBNRMP (and hoped in future for other development partners and government) in a community. • Served as platform for knowledge sharing and replication of best practices within the community for members and non-members. 	<ul style="list-style-type: none"> •
Service providers	<ul style="list-style-type: none"> • Provide services such as extension, training etc through contractual arrangements. 	<ul style="list-style-type: none"> • Usually specialized knowledge and skills in their respective areas. • Usually not subject to bureaucracy of public sector. • Guided by results-based agreements. 	<ul style="list-style-type: none"> • Some service providers lack adequate staff

7. At the state level, a **State Project Steering Committee (SPSC)** chaired by the Honourable Commissioner of Agriculture and composed of the commissioners of Finance, Budget and Planning, Women Affairs, representatives of government agencies and departments responsible for youth and women empowerment, representatives of selected commodity associations in the State, representatives of youth and women organisations, and relevant financial institutions, will oversee the implementation of the project and approve the AWPB. In addition the SPSC will facilitate the effective participation of relevant actors in the project. The State Project Coordinator shall serve as Secretary to the SPSC which shall meet at least twice in a year.

8. The **State Project Coordination Office** in each participating state shall be responsible for the coordination of implementation of project activities, including preparing the AWPB for the state project. Housed in the ADP, and headed by the State Project Coordinator (SPC), the SPCO will have professional staff as well as subject matter specialists who will be hired when the need arises under the technical assistance category of the project. A suitably qualified staff from NDDC's state office will be deployed to work in the SPCO as one of the professional staff. Such staff shall report to the State Project Coordinator.

9. At the **LGA** level, the project will maintain a **Desk Office** in the Department of Agriculture. The Desk Officer will be responsible for sensitization and advocacy at the community level under the guidance of the SPCO, and also participate in the selection of project beneficiaries and monitoring of activities within the LGA..

10. At the **community level**, the project will strengthen the existing CADAs through capacity building and promote the formation of new CADAs where they do not exist to promote further agribusiness among youth and women for employment creation. The CADAs will be encouraged to form a federated CADA at the state level from their representatives to ensure strong and viable agribusiness associations.

11. The following is a summary of the key implementing partners for LIFE: (a) **at the federal level**, (i) the Federal Ministry of Agriculture and Rural Development, the Lead Implementing Agency; (ii) the Federal Ministry of Finance, the Borrower; and (iii) the Central Bank of Nigeria, for rural finance inclusion; (b) **at the regional level**, (iv) the Niger Delta Development Commission, a financing and implementing partner with a mandate for the development of the Niger Delta region; (c) **at the state level**, (v) the State Ministry of Agriculture, and (vi) the Agricultural Development Programme; (d) **at the LGA level**, (vii) the Department of Agriculture; and (e) **at the community level**, (viii) the Commodity Apex Development Association, (ix) the incubators, and (x) the apprentices. The Bank of Agriculture, NIRSAL, SMEDAN, the Federal Ministry of Women Affairs, and institutions within the National Agricultural Research System, are also expected to play vital support roles.

Staffing arrangements

12. The RPCO and the SPCO will have the professional staff listed in Table 2, and will also be able to engage, under technical assistance, subject matter specialists as needed to supplement the resources of the core team:

Table 2: Professional staff positions at the RPCO and SPCO

RPCO staff	SPCO staff
<ul style="list-style-type: none"> • Regional Project Coordinator • Agribusiness Promotion Coordinator • Rural Infrastructure Coordinator • Rural Institutions Coordinator • Monitoring and Evaluation (M&E) Coordinator • Knowledge Management and Communication (KMC) Coordinator • Project Financial Controller • Regional Project Accountant • Procurement Coordinator • Administration and Logistics Officer • Project Internal Auditor* 	<ul style="list-style-type: none"> • State Project Coordinator • Agribusiness Promotion Officer • Rural Infrastructure Officer • Rural Institution/Gender and Youth Officer • M&E Officer • KMC Officer • State Project Accountant • State Finance Officer • Procurement Officer • Administration and Logistics Officer • State Project Internal Auditor*

RPCO subject matter specialists (consultants)**	SPCO subject matter specialists (consultants)**
<ul style="list-style-type: none"> • Rural Finance • Gender and Youth • Climate and Environment • Nutrition and Food Security • Sustainable Agriculture • Project Management 	<ul style="list-style-type: none"> • Rural Finance • Gender and Youth • Climate and Environment • Nutrition and Food Security • Sustainable Agriculture • Project Management

Note: * May be seconded from the Accountant General's Office
 ** To be engaged as needed under technical assistance category

13. The RPCO and SPCO staff will be engaged on fixed term contracts which are renewable during the life of the project based on satisfactory performance. Staff selection will be undertaken on a competitive basis. Draft terms of reference of the staff are in Annex 1.

Annex 1: Terms of reference of RPCO and SPCO staff

RPCO1: Regional Project Coordinator (RPC)

Main responsibilities

The Regional Project Coordinator will be responsible for overall management and implementation of LIFE in the Niger Delta region. He/She will be responsible for managing the team of specialists within the Regional Project Coordination Office (RPCO) and ensuring their performance and that of the incubators and service providers engaged to implement the project activities. A key element of the position will be to ensure that the project achieves its development objective and outcomes. The RPC will be under a performance based renewal contract and will report to the National Steering Committee (NSC) through the Technical Support Committee (TSC).

Specific duties

- a. Head the Secretariat of the Technical Support Committee
- b. Promote team work of the specialists for effective project implementation
- c. Coordinate and supervise implementation by the participating states
- d. Convene monthly meetings of the RPCO staff and bi-monthly review meetings of the State Project Coordination Office (SPCO) staff
- e. Manage and motivate the project staff at regional and state levels to ensuring consistent achievement of quality project results
- f. Ensure quality of agri-enterprise incubators, service providers and consultants hired for implementation.
- g. Consolidate the Annual Work Plan and Budgets (AWPB) of the SPCO RPCO and submit through the TSC to the National Steering Committee (NSC) and IFAD for approval as well as monitor its implementation.
- h. Ensure completion of procurement process in full compliance with IFAD and Federal Government of Nigeria procurement guidelines and procedure.
- i. Oversee contracting support staff and consultants
- j. Ensure timely delivery of quality reports – annual and semi-annual reports, financial statements, audit report, RIM data etc to NNDC, FMARD and IFAD.
- k. Coordinate supervision mission and ensure the implementation of the recommendations (supervision and audit).
- l. Oversee baseline, impact evaluation, beneficiary assessment, midterm review and final evaluation of the project.
- m. Select service providers where necessary and formulate TORs and scope of work for the service providers, supervise, monitor and certify the work of the service providers for various activities and assignments.
- n. Consolidate state progress reports and contribute to the finalization of periodic project progress reports of the RPCO.

Qualification and experience

- a. Masters or higher level university degree in Agriculture, Agricultural Economics, Business Administration or other related discipline with sound knowledge of contemporary issues in agriculture, agricultural development, agribusiness, agri-enterprise development and rural development.
- b. Minimum of 10 years post qualification experience including 8 years in agriculture or agribusiness management position in an international organization, private sector, development project.
- c. Proven record in project preparation, coordination and supervision of agricultural and agribusiness projects particularly agricultural value chains.
- d. Strong knowledge of working in Niger Delta
- e. Good writing skills and computer literacy.

Reporting and location

The position will be in the RPCO located in Port Harcourt .The RPC will report directly to the TSC.

Duration:

The duration of the assignment will be on 2-year renewal basis following successful completion of a 1-year probational period.

===

RPCO2: Agribusiness Promotion Coordinator (APC)

Main responsibilities

The Agribusiness Promotion Coordinator will support the creation of jobs using the Incubator-Apprenticeship Model, focusing on the identification, selection, training and retraining of potential youth and women to learn and start profitable agri-enterprises. He/She will: (a) be involved in the development of agri-enterprises business plans in agricultural commodity production, processing, storage and marketing; (b) coordinate the alignment of the CORY curriculum to project requirements, including modules on village level enterprise group formation, savings mobilisation and entrepreneurship development activities; (c) support market access to build strong agribusiness and value chain orientation to selected youth and women in the project area; and (d) explore capacity development of Agriculture Value Chain Financing models along production, processing and marketing.

Specific duties

- a. Develop activities for the annual work plans and budget (AWPB).
- b. Oversee the selection process of Incubators.
- c. Coordinate the development of a training curriculum for incubators and apprentices.
- d. Coordinate the development and implementation of bankable business plans, marketing promotion strategies, product branding and linkage to service providers and markets.
- e. Lead and supervise the state level implementation of the incubator-apprenticeship model in empowering at least 900 incubators and 38,250 new agri-enterprises across the 9 states of the Niger Delta region (i.e., 100 incubators and 4,250 agri-enterprises per state).
- f. Supervise the agri-enterprises to ensure their viability.
- g. Coordinate the capacity assessment and strengthening of CADA and the formation of Commodity Alliance Forum at the state level.
- h. Identify and partner with private sector operators and CADA to avail farmers and other agri-enterprises the opportunity to sustainably access information on market demand (demand, supply and price).
- i. Give technical direction and management leadership in identifying actions and mechanisms for the promotion and use of value addition technologies including post-harvest handling, processing, storage and packaging.
- j. Promote the deployment and adoption of friendly productive technologies and the application of efficient/effective, dynamic and profitable modules across the value chains.
- k. Promote volume of produce for large markets, sustainability of identified farmers markets, reduction of cost of services, and develop cluster/entrepreneurs arrangements and contract arrangements between produce off-takers and weaned agri-entrepreneurs.
- l. Develop MoU with all categories of service providers (mechanization, agro dealers, sprayers etc) on areas of engagement and line and terms of support from the project.
- m. Select service providers where necessary and formulate TORs and scope of work for the service providers. Supervise, monitor and certify the work of service providers for the various activities and assignments.
- n. Design capacity building and technical assistance measures and activities in the areas of primary production, value addition, market access, business management, quality control and standardization.
- o. Facilitate linkages for enhanced access to financial services for project beneficiaries, including trader credit, contract farming, inventory credit, commercial/development bank credit and insurance.
- p. Consolidate state progress reports and contribute to the drafting of periodic project progress reports.

Qualification and experience

- (a) Ph.D or Masters Degree in Agribusiness or Agricultural Economics or first degree in any of the Agriculture related disciplines and MBA or higher degree in Agricultural Economics, Economics, Marketing or related fields.
- (b) Strong background and practical skills in business development and marketing and at least 5 years work experience on issues and programmes relating to agricultural commodity production, commodity marketing, agro-processing and value chain development and MSME promotion.
- (c) Good negotiation, inter-personal and relational skills.
- (d) Previous experience in working with government and private sector in developing agri-enterprises/agribusiness will be a great advantage.

Reporting and location

The position will be in the RPCO located in Port Harcourt .The APC will report directly to the RPC.

Duration

The assignment will be on a 2 year renewal basis following a successful completion of 1 year of probationary period.

===

RPCO3: Rural Infrastructure Coordinator (RIC)

Main responsibilities

The Rural Infrastructure Coordinator will provide technical guidance and backstop the state Rural Infrastructure Officers, the LGA Engineers, and the beneficiaries and relate with relevant stakeholders involved in the implementation of market infrastructure development.

Specific duties

- a. Ensure that the preparatory activities and implementation of the infrastructure interventions are in accordance with project dictates, progressing according to the works schedule.
- b. Develop a detailed action plan to implement the various market infrastructure activities proposed in close consultation with the key stakeholders.
- c. Participate in the procurement of contractors and consultants and oversee their activities.
- d. Develop appropriate market infrastructure implementation manual.
- e. Prepare and also vet engineering designs and estimates for market infrastructure.
- f. Provide assistance and practical advice to participating states and LGAs in the design of works and procurement of contractors, and supervision and monitoring of works.
- g. Develop eligibility criteria for the selection of cost efficient, technically achievable and sustainable market infrastructure at the state level.
- h. Identify the skill gap of engineers and other implementers and develop capacity building activities to bridge the gap.
- i. Develop an operation and maintenance structure/system for market infrastructure with relevant partners.
- j. Prepare consolidated quarterly progress and monitoring reports.

Qualification and experience

- a. Advanced degree in civil engineering or similar discipline; A COREN registration is a must.
- b. Implementation experience in a broad range of rural infrastructure (repair, rehabilitation, construction and maintenance of: water supply, retention, drainage and sanitation systems and associated works such as washing facilities; small-scale irrigation works; agro processing and storage structures; other small buildings; and rural community access and feeder roads and small bridges and drainage structures).
- c. A minimum of seven years field experience working with rural communities in planning, budgeting, constructing, maintaining and monitoring rural - market infrastructure.
- d. Ability to communicate with and present clear and concise instructions and guidelines to village representatives with basic education levels.
- e. Experience with IFAD or international donor projects.

Reporting and location

The position will be in the RPCO located in Port Harcourt .The RIC will report directly to the RPC.

Duration

The duration of the assignment will be on 2-year renewal basis following successful completion of a 1-year probational period.

===

RPCO4: Rural Institution Coordinator (RNC)

Main responsibilities

The Rural Institution Coordinator will facilitate and strengthen the understanding of community members and target agri-enterprise groups and commodity apex development associations (CADAs) to fit properly into the project framework. The aim of the position is to improve the knowledge of enterprise groups, incubators and CADAs to adopt agriculture as a business using a market-led approach.

Specific duties

- a. Develop activities for the formation, strengthening and sustainability of relevant rural institutions for the annual work plan and budget (AWPB).
- b. Sensitize existing CADAs, enterprise groups, traditional rulers, opinion leaders, youth and women leaders, civil society and influential community members to foster understanding on the new direction of the project.
- c. Assist the enterprise groups to form CADA from elected representatives of each of the groups formed.
- d. Assist the CADAs to form Federated CADA at the state level from representative of each of the CADAs formed.
- e. Once a CADA is formed, ensure that there are implementation/functional committees in the CADA and take initiatives to strengthen the committees.
- f. Provide guidance for the annual group/CADA appraisal exercise to identify capacity gaps and assist in the strengthening of all groups/CADA.
- g. Develop a flexible training curriculum/manual to address identified gaps in developing and strengthening the CADAs in consultation with the key stakeholders.
- h. Organize training for all enterprise groups on group participation and formation, group leadership and dynamics. The activities would strengthen skills and competencies in financial and business management, market information, product marketing strategies, bulk procurement, distribution of critical inputs and advocate to improve enabling policy environment.
- i. Develop specific training for enterprise groups, group leaders, CADAs, commodity committees on producers cluster arrangement, contract farming, operations of out-growers scheme in working with off-takers/processors.
- j. Continuously update the developed curriculum and training based on feedback to ensure that it is tailored to the needs of the groups and CADAs.
- k. Organize cross-visits annually amongst the CADAs to facilitate the sharing of experiences between CADAs on best practice.
- l. Consolidate state progress reports and contribute to the drafting of periodic progress reports of the RPCO.

Qualification and experience

- a. Advanced degree (MSc or higher preferred) in Extension, Rural Sociology, Agriculture or other discipline with appropriate applied social science and agricultural experience.
- b. A minimum of 10 years working experience with rural communities in a participatory community development role.
- c. Proven skill in organizing group training and learning exchanges.
- d. Experience working with IFAD projects in Nigeria.
- e. Excellent written and spoken English.

Reporting and location

The position will be in the RPCO located in Port Harcourt .The RNC will report directly to the RPC.

Duration

The duration of the assignment will be on 2-year renewal basis following successful completion of a 1-year probational period.

===

RPCO5: Monitoring and Evaluation Coordinator (MEC)

Main responsibilities

The Monitoring and Evaluation Coordinator will have overall responsibility for operating, coordinating and facilitating the planning of M&E activities related to project implementation. The Coordinator will oversee the design and operationalization of robust systems for PME and ensure its full linkage with other information and knowledge systems, to enable the project to be flexible and responsive to changing circumstances. The Coordinator will also assess the needs and capacity for PME at the regional level and accordingly design and implement capacity building activities. The Coordinator will work closely with relevant State M&E staff to ensure a coherent and collaborative approach to PME.

Specific duties

- a. Develop activities for the annual work plan and budget (AWPB).
- b. Develop the project M&E system on the basis of the project's Logical Framework taking into account government monitoring frameworks and IFAD RIMS methodology.
- c. Organize and supervise focused baseline surveys and assessments of beneficiaries at the beginning of the project to be undertaken by consultants.
- d. Prepare an M&E Plan, including the project's monitoring formats.
- e. Establish indicators for outputs, outcomes and impact, monitor implementation processes and performance, and assess outputs and outcomes in line with government and IFAD RIMS guidelines.
- f. Foster participatory planning and M&E by training and involving stakeholder groups.
- g. Oversee the design of a field-based system for project monitoring that incorporates the logical framework approach.
- h. Prepare essential data to be included in quarterly, semi-annual and annual reports.
- i. Monitor financial and physical progress as well as reporting back to stakeholders to create a better learning environment; undertake project and thematic evaluations.
- j. Integrate the M&E system into the overall project coordination and organization function and into an MIS.
- k. Ensure capture of intended impact as well as successes and failures; prepare reports and guide staff in preparing their progress reports.
- l. Design and implement report formats so that all reports from service providers/implementing partners can be regularly and conveniently compiled/aggregated to contribute to the overall project results framework.
- m. Organize and oversee annual review and planning workshops and preparation of AWPB.
- n. Inform and join supervision missions by screening and analysing reports.
- o. Select service providers where necessary and formulate TORs and scope of work for the service providers. Supervise, monitor and certify the work of service providers for the various activities and assignments.
- p. Consolidate state progress reports and contribute to the drafting of periodic project progress reports of the RPCO.

Qualification and experience

- a. Masters or Higher Level University Degree in Agricultural Economics, Social sciences, Economics, Statistics or other relevant field.
- b. Proficient in the use of databases and spread-sheets, statistical and other software packages for both quantitative and qualitative analysis and demonstrated skills in quantitative and qualitative analysis and data management.
- c. Experience in analyzing complex programmes or policies.
- d. A minimum of 10 years' proven experience working in, designing and implementing M&E/Results-based management and/or project management in areas such as agriculture, natural resources, rural finance and policy matters.

- e. Excellent written and spoken English.
- f. Have thorough understanding of analytical tools.
- g. Have solid understanding of use of modern information and communication technology (ICT) in development and excellent knowledge of computer-based communications tools, in particular web-and mobile-based technology.
- h. Experience in facilitation, in particular of learning processes.
- i. Strong written and oral communication skills.
- j. Fluency in some of the local languages will be an asset.

Reporting and location

The position will be in the RPCO located in Port Harcourt .The MEC will report directly to the RPC.

Duration

The duration of the assignment will be on 2-year renewal basis following successful completion of a 1-year probational period.

===

RPCO6: Knowledge Management and Communication Coordinator (KMC)

Main responsibilities

The Knowledge Management and Communications Coordinator will have overall responsibility for coordinating, supporting and facilitating Knowledge Management and Communication (KMC) activities related to project implementation at the regional level. The Coordinator will work closely with the KMC Advisor at the Central Communications Unit to provide leadership, guidance and capacity building in KMC.

Specific duties

- a. Develop and manage the implementation of the KMC strategy of the project.
- b. Develop KMC activities for the annual work plan and budget (AWPB).
- c. Prepare an annual KMC plan of actions for enhancing institutional culture of learning and knowledge-sharing.
- d. Facilitate knowledge sharing events and policy dialogues among project stakeholders.
- e. Ensure that innovative experiences, learning and good practices are captured, synthesized, documented and shared continuously within the project, within the relevant stakeholders and, with in-country partners, IFAD and other regional and international partners.
- f. Play a leading role in knowledge capitalization and develop evidence based knowledge products and ensure wider dissemination.
- g. Develop and update project stakeholders contact list and mailing lists for dissemination of project knowledge products.
- h. Guide staff on information collection, processing, and information dissemination methods.
- i. Play a leading role in external relations, building relations with media and communications personnel, liaison and public relations.
- j. In close collaboration with the M&E Coordinator, ensure results from various studies including quality management, reporting, and monitoring and evaluation are translated into evidence based knowledge products.
- k. Establish information technology requirements for effective implementation of the KMC strategy using social media and internet tools.
- l. Plan and coordinate all communication and advocacy campaigns through mass media, newsletters, stakeholder meetings, and other communication channels as appropriate.
- m. Assist in developing integrated information systems to enable M&E of project activities.
- n. Monitor and evaluate performance of the project's KMC strategy.
- o. Contribute to the drafting of periodic project progress reports.
- p. Maintain updated cataloguing of the project's knowledge assets/online resource materials.
- q. Undertake other KMC tasks as required.

Qualification and experience

- a. Higher level university degree or equivalent in a field related to communications, journalism, development or a related discipline.

- b. Minimum of five years of experience in information, knowledge management, and/or development communication, preferably in the agriculture and rural development sector. Experience in media relations, ICT and extension will be an advantage.
- c. Proven ability in documentation and advocacy; demonstrated capacity to develop and oversee implementation of documentation of programme results, presentations, communication and reporting skills.
- d. Strong oral and written communication skills; experience of interacting with a variety of internal and external stakeholders.
- e. High degree of motivation, initiative, independence, reliability, adaptability, and professional maturity; and places a premium on "getting things done".
- f. Strong project management and coordination skills; able to handle multiple tasks and balance priorities with various stakeholders

Reporting and location

The position will be in the RPCO located in Port Harcourt .The KMC will report directly to the RPC.

Duration

The duration of the assignment will be on 2-year renewal basis following successful completion of a 1-year probational period.

===

RPCO7: Project Financial Controller (PFC)

Main responsibilities

Within the framework of the project design report and loan/grant agreements, the project Financial Controller is responsible for the financial and administrative management of the project, including accounting, budgeting , financial reporting, internal controls, auditing arrangement, flow of funds and the efficient management of project resources.

Specific duties

- a. Master IFAD key documents such as, the disbursement handbook, procurement guidelines and handbook, IFAD guidelines for project audits, the Financing Agreement (FA) and the Letter to the Borrower (LTB) as well as the Project Financial Procedures Manual.
- b. Consolidate and prepare together with the Regional Project Coordination Office (RPCO) team and M&E Coordinator, the annual work plan and budget (AWPB) and the budget and financing plan.
- c. Develop and maintain an efficient accounting system and reliable internal control procedures (including authorization levels, segregation of duties etc.) and guidelines for financial reporting and recordkeeping.
- d. Prepare, review and monitor the project's budget, including financing plan, procurement plan (together with the Procurement Officer), and staff development plan (together with the training focal point).
- e. Prepare/verify all withdrawal applications for submission to IFAD, and ensure the availability of funds for all planned activities. Manage the project's bank accounts, approve and co-sign all payments.
- f. Ensure payments are authorized, and recorded in the accounting system correctly and in a timely manner.
- g. Ensure all expenditure items: i) meet the eligibility criteria as defined in the IFAD financing agreement, ii) are supported by adequate documentation (invoice, contracts, evidence of payments etc.).
- h. Ensure all project records are properly filed in a systematic way and that proper back up is maintained.
- i. Ensure the timely preparation of quarterly and annual consolidate financial reports in agreed format including: i) sources and uses of funds statement, including incurred expenditures by component, expenditure category and financier, ii) variance report (actual versus budgeted expenditures), iii) designated account reconciliation statement, iv) Withdrawal application - statement of expenditure, v) fixed asset register, vi) contract register etc., for submission to the Regional Technical Committee, Lead Project Agency and IFAD.

- j. Ensure monthly bank account reconciliations are prepared in a timely manner and reconciliation items are promptly followed up on.
- k. Lead the process of contracting an external audit firm to conduct an independent audit of the annual project accounts, ensuring that annual audits are carried out within the specified timeframe and ensuring the project auditors have access to all necessary files.
- l. Monitor the financial performance of the State Project Coordination Offices (SPCOs) including i) justification of advances, reporting of expenditures, financial reporting, audit process and audit findings.
- m. Supervise and coordinate the work of staff placed under his/her direct authority.
- n. Review and regularly update the Financial Procedures Manual of the project.
- o. Develop together with the project accountants the accounting manual of the SPCOs.
- p. Organize and supervise RPCO office, assets, including tagging of all assets, maintaining an up to date fixed asset register and conducting an annual inventory exercise.
- q. Take active part in the consolidation of progress reports for submission to NDDC, IFAD, FMoF, FMPB and the participating states.
- r. Undertake any other activities assigned by the Regional Project Coordinator.

Qualification and experience

- a. Minimum of 10 years' post-professional experience, at least 8 of which must be in management.
- b. A professional qualification (FCA, ACA, FCNA, CNA) with at least 15 years of post-qualification experience, at least 8 of which must be in management.
- c. A minimum of 8 years' experience in management team of IFAD-assisted or donor funded projects.
- d. Good interpersonal relationship, transparently honest, team worker and possess ability to train counterparts; and must be healthy and fit to undertake extensive field visits.
- e. Member of Financial Reporting Council of Nigeria, with strong working knowledge of both national and international accounting procedures.
- f. Strong computer skills, spread-sheets, and other relevant accounting packages.
- g. Working knowledge of banking and financial control procedures.
- h. Excellent written and spoken English.

Reporting and location

The position will be in the RPCO located in Port Harcourt. The PFC will report directly to the RPC.

Duration

The duration of the assignment will be on 2-year renewal basis following successful completion of a 1-year probational period.

RPCO8: Regional Project Accountant (RPA)

The Regional Project Accountant is responsible for supporting the Project Financial Controller (PFC) in the effective discharge of his/her functions.

Specific duties

- a. Master IFAD key documents such as, the disbursement handbook, procurement guidelines and handbook, IFAD guidelines for project audits, the Financing Agreement (FA) and the Letter to the Borrower (LTB) as well as the Project Financial Procedures Manual.
- b. Assist the PFC in the implementation of a sound financial management system as described in the Project Financial Procedures Manual.
- c. Prepare transaction vouchers, input all transactions into the RPCO accounting system before submission to the PFC for approval and make sure all necessary supporting documentation is made available and filed in a systematic way.
- d. Process all payments, ensuring that project financial procedures are strictly adhered to.
- e. Process monthly payroll, payment of salaries to staff and project contributions.
- f. Assist the PFC in the preparation of withdrawal applications.
- g. Prepare cash flow forecasts as required.
- h. Monitor financial returns from implementing partners and State Project Coordination Offices (SPCOs), including periodic visits to their offices.
- i. Assist in the preparation and monitoring of annual operational budgets.

- j. Prepare quarterly and annual financial reports in agreed format including: i) sources and uses of funds statement, including incurred expenditures by component, expenditure category and financier, ii) variance report (actual vs budgeted expenditures), iii) designated account reconciliation statement, iv) Withdrawal application-statement of expenditure, v) fixed asset register, vi) contract register for submission to the Technical Support Committee, Lead Project Agency and IFAD.
- k. Maintain a well-organized and up-to-date filing system for accounting and financial records as well as a fixed asset tagging system.
- l. Perform physical inventory of project assets each year.
- m. Assist the PFC in the preparation of the accounting manual of the RPCO.
- n. Provide assistance to the external auditors as required, and facilitate that the project auditors have access to all necessary files.
- o. Make sure all expenditure items: i) meet the eligibility criteria as defined in the IFAD financing agreement, ii) are supported by adequate documentation (invoice, contracts, evidence of payments etc.).
- p. Ensure all project records are properly filed in a systematic way and maintain proper back up.
- q. Prepare monthly bank account reconciliations are prepared in a timely manner and reconciliation items are promptly followed up on.
- r. Liaise with the SPCOs to ensure timely delivery of justification of advances, reporting of expenditures, and financial reports, as well as follow-up on audit process and audit findings.
- s. Undertake any other activities assigned by the RPC and the PFC.

Qualification and experience

- a. Same as for the PFC except for minimum of 8 years' post-professional experience.

Reporting and location

The position will be in the RPCO located in Port Harcourt .The RPA will report to the PFC.

Duration

The duration of the assignment will be on 2-year renewal basis following successful completion of a 1-year probational period.

===

RPCO9: Procurement Coordinator (PRC)

Main responsibilities

The Procurement Coordinator will be responsible for the management of project activities in accordance with relevant National and IFAD Procurement Guidelines, and building the capacity of State Procurement Officers and other project implementing partners.

Specific duties

- a. Formulate a project procurement strategy.
- b. Ensure that procurement is carried out such that transparency, integrity, economy, openness, fairness, competition and accountability remain the cardinal target.
- c. Facilitate the preparation as well as update and review of the yearly procurement plan while ensuring that procurement activities are carried out as per the approved procurement plan.
- d. Prepare and consolidate Quarterly Tracking Procurement Plan.
- e. Maintain and regularly update the contract register and No Objection tracker.
- f. Prepare and periodically update the data base of vendors, suppliers and consultants.
- g. Facilitate the preparation of technical specifications/terms of reference for procurement of goods, works and services.
- h. Handle issues relating to contract negotiation, complaints and debriefing.
- i. Prepare bidding documents, tender notices, and invitations for bids.
- j. Receive, open and evaluate bids, as well as finalize contracts.
- k. Administer contracts to ensure compliance with the contracts conditions, payment terms.
- l. Maintain all the records relating to procurement.
- m. Prepare procurement implementation reports in accordance with the reporting requirements of IFAD and the Government and consolidated reports for the entire project.

- n. Provide guidance and supervision to the states, the beneficiaries and service providers.
- o. Ensure that the procurement capacity of the states, beneficiaries and service providers is developed.
- p. Organise and conduct training for procurement staff and participants.
- q. Carry out any other duties assigned by the Regional Programme Coordinator

Qualification and experience

- a. Masters or higher level University degree in Engineering, Finance, Management, Purchasing or equivalent qualifications.
- b. Minimum of 7 years of relevant post qualification experience.
- c. Strong background and experience in successfully carrying out procurement using similar procedures, methods, specifications etc.
- d. Knowledge (at least 5 years) of internationally accepted 'best practice' systems, the Nigerian Procurement Laws and Guidelines and experience in working with donor funded projects.
- e. Good writing skills and good computer skills.
- f. Demonstrate team spirit, good interpersonal and conflict management skills.
- g. Integrity and confidentiality.
- h. Interpersonal and time management skills.

Reporting and location

The position will be in the RPCO located in Port Harcourt. The PRC will report directly to the RPC.

Duration

The duration of the assignment will be on 2-year renewal basis following successful completion of a 1-year probational period.

RPCO10: Administration and Logistics Officer (ADM)

Main responsibilities

The Administration and Logistics Officer will be responsible for setting up and streamlining administrative procedures as provided in the Project Administrative Manual.

Specific duties

- a. Facilitate the development of the Project Administrative Manual.
- b. Set up the administrative system as provided in the Project Administrative Manual.
- c. Advise the RPC in all areas of administration as well as participate in administrative planning in consultation with management staff to support project activities.
- d. Liaise with other project staff, IFAD projects and ICO Nigeria for compliance with respect to communities of practice.
- e. Set up employee database and prepare other reports stipulated in the Manual.
- f. Initiate recruitment procedures of both local staff and consultants, and raise contracts.
- g. Manage performance evaluation, reward, training and leave of staff.
- h. Manage travel arrangements, all logistics arrangements for project activities, vehicles maintenance and fuel log, retirement of claims.
- i. Manage grounds/offices and timely maintenance of infrastructure and equipment.
- j. Ensure compliance with security guidelines.
- k. Undertake other related duties as may be required.

Qualification and experience

- a. University degree (Bachelors) in business, public administration or human resources management.
- b. A minimum of 5 years' working experience in Administration or 3 years' experience and a Master's degree in the above fields.
- c. Must have experience in human resource management and coordination of trainings.
- d. Ability to motivate, inspire and achieve results.
- e. Integrity and confidentiality.
- f. Planning, problem solving and decision-making skills are required.
- g. Excellent written and verbal skills in English and knowledge of at least one indigenous language.

Reporting and location

The position will be in the RPCO located in Port Harcourt .The ADM will report directly to the RPC.

Duration

The duration of the assignment will be on 2-year renewal basis following successful completion of a 1-year probational period.

===

RPCO11: Project Internal Auditor (PIA)

Main responsibilities

The Project Internal Auditor shall ascertain and evaluate the adequacy and effectiveness of the financial management and internal control framework; ensure compliance with the IFAD and Federal Government project Financing Agreement, IFAD disbursement procedures, Project Implementation Manual, etc; identify critical weaknesses if any, and areas for improvement; and provide the project coordination team at the regional and state levels with timely information and recommendations on financial management aspects of the project to enable timely corrective actions.

Specific duties

- a. Carry out audit of the project in accordance with international standards of auditing, and including such tests and controls as the auditor considers necessary. The audit will cover the project regional office, state and beneficial levels.
- b. Ensure that the accounting and financial management systems remain reliable and effective in design and assess the extent to which they are being followed. Ascertain the reliability of integrity, controls, security and effectiveness of the operations of the computerized accounting system.
- c. Identify constraints, if any, in the timely updating of the accounting system and in adhering to the internal control procedures including the Project Implementation Manual and the Financial Procedures Manual.
- d. Review the adequacy of the systems established to ensure compliance with policies, plans procedures, laws, and regulations and establish whether the project is in fact in compliance. Check and report on compliance with the IFAD Financing Agreement covenants.
- e. Review the efficacy, adequacy and application of accounting, financial and operating controls and thereby ensure the accuracy of the books of accounts. Review the accuracy and timeliness of the quarterly financial reports produced by the project and confirm whether these are used by the management for decision making.
- f. Verify that the system of internal check is effective in design and operation in order to ensure the prevention of and early detection of defalcations, frauds, misappropriations and misapplications.
- g. Evaluate the Internal Control System in operation to ensure effectiveness, efficiency and economy.
- h. Check the segregation of duties in the project such as: i) authorization and approval, ii) recording, iii) documentation on the following operating costs: maintenance of vehicles/equipment, fueling, motor license/insurance, utilities (water, electricity, telephone), office rent and rates, salaries and allowances of project support staff, insurance.
- i. Check that the Statements of Expenditure (SOE) submitted to IFAD reconcile with the expenditures reported under the quarterly and yearly financial reports. Duly record any ineligible expenditure noted during the review.
- j. Ensure reconciliation of bank statements and accounts is regularly carried out on a monthly basis and necessary corrections on accounts of banks/debits and stale transactions accounted for concurrently.
- k. Conduct an independent appraisal of all the project's activities. Consider the adequacy of controls to ensure economy, efficiency and effectiveness in the implementation of project activities.
- l. Confirm that IFAD no-objections given to the RPCO and the state offices for incurring expenditure under the project are used for purpose intended.
- m. Undertake procurement audits to ensure procedures are done transparently as per procedures/thresholds. Verify that all the goods, works and services procured and issues are

- supported by valid receipt and documents including IFAD no-objection and that a register of contracts and contract monitoring forms are maintained and up-to-date.
- n. Ensure that adequate records are maintained regarding the assets created and assets acquired by the project, including details of cost, identification and location of assets; and that the physical verification of assets is being carried out with due diligence and an annual inventory report is duly issued. Physical verification of assets and other inventories would be taken up as deemed necessary by the auditor in respect of all goods.
 - o. Ensure that disbursements between RPCO and SPCOs are reconciled and accounted for.

Qualification and experience

- a. A minimum of First Degree or Higher National Diploma in Accounting with a minimum working experience of 10 years, 6 years in IFAD-assisted project.
- b. A professional certificate in Accounting or Auditing is an added advantage.
- c. Good communication and training skills.
- d. Proven track record in internal auditing.
- e. Working experience of the Niger Delta area is a plus.
- f. Ability to motivate, inspire and achieve results will be an added advantage.

Reporting and location

The position will be in the RPCO located in Port Harcourt .The PIA will report directly to the RPC.

Duration

The duration of the assignment will be on 2-year renewal basis following successful completion of a 1-year probational period.

SPCO1: State Project Coordinator (SPC)

Main responsibilities

The State Project Coordinator will be responsible for overall coordination and implementation of the project in the State. He/She will be responsible for managing the team of subject matter officers within the State Project Coordination Office (SPCO) and ensuring their performance to implement project activities. A key element of the position is to ensure that the project achieves its developmental objectives.

Specific duties

- a. Head the Secretariat of the State Project Steering Committee.
- b. Promote teamwork of the project officers for implementation.
- c. Convene regular meetings with the staff of SPCO.
- d. Manage and motivate the project staff to ensure consistent achievement of quality project results.
- e. Ensure quality of service provided by the agri-enterprise incubators, service providers, and consultants hired for implementation.
- f. Ensure timely delivery of quality reports (AWPB, semi-annual reports, financial statement, audit report, RIM data etc) to the Regional Project Coordination Office (RPCO).
- g. Select service providers where necessary and formulate TORs and scope of work for the service providers, supervise, monitor and certify the work of service providers for the various activities and assignment.
- h. Ensure completion of procurement process in full compliance with IFAD and FGN procurement guidelines and procedure.

Qualifications and experience

- a. Bachelor or higher level university degree in Agriculture, Agricultural Economics, Business Administration or other related discipline with knowledge of contemporary issues in agriculture, agribusiness and rural development.
- b. Minimum of 10 years post qualification experience including at least 5 years in agriculture or agribusiness management position in a development project.
- c. Good writing skills and computer literacy.

Reporting and location

The position will be in the SPCO housed in the State ADP. The SPC will report directly to the Regional Project Coordinator (RPC) on technical issues and administratively to the Programme Manager of the ADP.

Duration

The duration of the assignment will be on 2-year renewal basis following successful completion of a 1-year probational period.

===

SPCO2: State Agribusiness Promotion Officer (SAPO)

Main responsibilities

The State Agribusiness Promotion Officer will support the creation of jobs using the Incubator-Apprenticeship Model. He/she will be actively involved in the development of agri-enterprise business plan in agricultural commodity production, processing, storage and marketing; support market access to build strong agribusiness and value chain orientation to selected youth and women in the project areas; and explore capacity development of agriculture value chain financing models.

Specific duties

- a. Develop activities for the State annual work plan and budgets (AWPB).
- b. Oversee the selection process of incubators and apprentices within the state.
- c. Coordinate the development of a training curriculum for incubators and apprentices.
- d. Coordinate the development and implementation of bankable business plan, marketing strategies, product development and branding; and, linkage to service providers and markets.
- e. Lead and supervise the implementation of the incubator-apprenticeship model in empowering at least 100 incubators and 4,250 new agri-enterprises in the state.

- f. Effectively supervise and ensure that the objective of this intervention is achieved and ensure the viability and profitability of the enterprises.
- g. Coordinate the capacity assessment and strengthening of CADA and the formation of a Commodity Alliance Forum at the LGA level.
- h. Identify and partner with private sector operators and CADA to avail farmers and other agri-enterprises the opportunity to sustainably access market information (demand, supply and price).
- i. Give technical direction and management leadership in identifying actions and mechanisms for the promotion and use of value addition technologies including post-harvest handling, processing, storage and packaging.
- j. Promote the deployment and adoption of friendly productive technologies and the application of efficient/effective, dynamic and profitable modules across the value chains.
- k. Promote volume of produce for large markets, sustainability of identified farmer markets, reduction of cost of services, and develop cluster/entrepreneurs arrangements and contract arrangements between produce off-takers and weaned agri-entrepreneurs.
- l. Develop MoU with all categories of service providers (mechanization, agro dealers, sprayers, extension, etc) on areas of engagement and line and terms of support from the project.
- m. Select service providers where necessary and formulate TORs and scope of work for the service providers. Supervise, monitor and certify the work of service providers for the various activities and assignments.
- n. Design capacity building and technical assistance measures and activities in the areas of primary production, value addition, market access, business management, quality control and standardization.
- o. Produce state progress reports and contribute to the drafting of periodic project progress report.

Qualification and experience

- a. Masters degree in Agribusiness or Agricultural Economics or first degree in any of the Agriculture related disciplines and MBA or higher degree in Agricultural Economics, Economics, Marketing or related fields.
- b. Strong background and practical skills in business development and marketing and at least 3 years work experience on issues and programmes relating to agricultural commodity production, commodity marketing, agro-processing and value chain development and MSME promotion.
- c. Good negotiation, inter-personal and relational skills.
- d. Previous experience in working with government and private sector in developing agri-enterprises/agribusiness will be a great advantage.

Reporting and location

The position will be in the SPCO housed in the State ADP. The SAPO will report directly to the SPC.

Duration

The assignment will be on a 2 year renewal basis following a successful completion of 1 year of probationary period.

SPCO3: State Rural Infrastructure Officer (SRIO)

Main responsibilities

The State Rural Infrastructure Officer will be responsible for the onsite management of market infrastructure development in the state, working closely with relevant stakeholders.

Specific duties

- a. Ensure that the preparatory activities and implementation of the infrastructure interventions are progressing according to the works schedule.
- b. Identify cost efficient and sustainable market infrastructure using the eligibility criteria developed. Relevant agencies such as the State Ministry of Works, Ministry of Commerce and Industry, Ministry of Water Resources, Ministry of Agriculture, River Basin Development

- Authorities (RBDAs) where applicable, Water Board, and the LGAs should be consulted in this process.
- c. Ensure that contracted consultants prepare the LGA level action plans which identify critical constraints/challenges, opportunities available and recommend appropriate market infrastructure interventions. The above-mentioned key stakeholders and the identified beneficiaries should be part of this process.
 - d. Supervise the construction/rehabilitation of feeder roads, the construction of agro-processing and market infrastructure (including water supply systems and related ancillary works) and the construction of stores, flood protection dykes and rehabilitation of irrigation schemes implemented by contractors.
 - e. Ensure the timely procurement of agro-processing equipment and machineries for agro processing buildings.
 - f. Oversee training and capacity building activities related to the market infrastructure.
 - g. Establish asset/infrastructure management and maintenance procedures. These should ensure that proper O&M is carried out by the beneficiaries using the developed procedures supported by the LGA Engineers.
 - h. Supervise/co-supervise the LGA Engineers and the support staffs working with them.
 - i. Provide technical guidance to participating institutions on the approach of carrying out their functions related to the infrastructural aspects of the project.
 - j. Prepare measurement of works and certificate of payment for all infrastructure activities as supported by the LGA Engineers.
 - k. Undertake other related activities as directed by the SPC.

Qualification and experience

- a. A minimum of B.Sc university degree in Civil Engineering.
- b. A COREN certification is a must.
- c. At least five years of practical experience in agricultural and/or rural development projects.
- d. Strong background of practical experience in agricultural related civil works and agro-processing technologies contributing to rural development.

Reporting and location

The position will be in the SPCO housed in the State ADP. The SRIO will report directly to the SPC.

Duration

The assignment will be on a 2 year renewal basis following a successful completion of 1 year of probationary period.

===

SPCO4: State Rural Institution/Gender and Youth Officer (SIGY)

Main responsibilities

===

SPCO5: State Monitoring and Evaluation Officer (SMEO)

Main responsibilities

The State Monitoring and Evaluation Officer will be responsible for operating, coordinating and facilitating the planning of project M&E activities at the state level. He/she will oversee the operationalization of the project PME system and ensure its full linkage with other information and knowledge systems, to enable the project to be flexible and responsive to changing circumstances. The Officer will also assess the needs and capacity for PME at the state level and design and implement capacity building activities. The Officer will work closely with the LGA Desk Officers to ensure a coherent and collaborative approach to PME at the state level.

Specific duties

- a. Develop activities for the annual work plan and budget (AWPB).
- b. Organize and supervise focused baseline surveys and assessments of beneficiaries at the beginning of the project to be undertaken by consultants.
- c. Prepare an M&E Plan, including the project's monitoring formats.
- d. Establish indicators for outputs, outcomes and impact, monitor implementation processes and performance, and assess outputs and outcomes in line with government and IFAD RIMS guidelines.
- e. Foster participatory planning and M&E by training and involving stakeholder groups.
- f. Prepare essential data to be included in quarterly, semi-annual and annual reports.
- g. Monitor financial and physical progress as well as reporting back to stakeholders to create a better learning environment; undertake project and thematic evaluations.
- h. Ensure capture of intended impact as well as successes and failures; prepare reports and guide staff in preparing their progress reports.
- i. Implement report formats so that all reports from service providers/implementing partners can be regularly and conveniently compiled/aggregated to contribute to the overall project results framework.
- j. Organize and oversee state level annual review and planning workshops and preparation of AWPB.
- k. Inform and join supervision missions by screening and analysing reports.
- l. Select service providers where necessary and formulate TORs and scope of work for the service providers. Supervise, monitor and certify the work of service providers for the various activities and assignments.
- m. Contribute to the drafting and consolidation of the periodic project progress reports of the state.

Qualification and experience

- a. Masters or higher level university degree in Agricultural Economics, Social Sciences, Economics, Statistics or other relevant field.
- b. Proficient in the use of databases and spread-sheets, statistical and other software packages for both quantitative and qualitative analysis and demonstrated skills in quantitative and qualitative analysis and data management.
- c. Experience in analyzing complex programmes or policies.
- d. A minimum of 8 years' proven experience working in, designing and implementing M&E/Results-based management and/or project management in areas such as agriculture, natural resources, rural finance and policy matters.
- e. Excellent written and spoken English.
- f. Have thorough understanding of analytical tools.
- g. Have solid understanding of use of modern information and communication technology (ICT) in development and excellent knowledge of computer-based communications tools, in particular web-and mobile-based technology.
- h. Experience in facilitation, in particular of learning processes.
- i. Strong written and oral communication skills.
- j. Fluency in the major local language(s) will be an asset.

Reporting and location

The position will be in the SPCO housed in the State ADP. The SMEO will report directly to the SPC.

Duration

The duration of the assignment will be on 2-year renewal basis following successful completion of a 1-year probational period.

===

SPCO6: State Knowledge Management and Communication Officer (SKMO)

Main responsibilities

The Knowledge Management and Communications Officer will be responsible for coordinating, supporting and facilitating Knowledge Management and Communication (KMC) activities related to

project implementation at the state level. The Officer will work closely with the KMC Coordinator at the RPCO and the KMC Advisor at the Central Communications Unit in implementing KMC activities.

Specific duties

- a. Manage the implementation of the KMC strategy of the project at the state level.
- b. Develop KMC activities for the annual work plan and budget (AWPB).
- c. Prepare an annual KMC plan of actions for enhancing institutional culture of learning and knowledge-sharing.
- d. Facilitate knowledge sharing events and policy dialogues among project stakeholders.
- e. Ensure that innovative experiences, learning and good practices are captured, synthesized, documented and shared continuously within the project, within the relevant stakeholders.
- f. Play a leading role in knowledge capitalization, develop evidence based knowledge products and ensure wider dissemination.
- g. Develop and update project stakeholders contact list and mailing lists for dissemination of project knowledge products.
- h. Guide staff on information collection, processing, and information dissemination methods.
- i. Play a leading role in external relations, building relations with media and communications personnel, liaison and public relations.
- j. In close collaboration with the State M&E Officer, ensure results from various studies including quality management, reporting, and monitoring and evaluation are translated into evidence based knowledge products.
- k. Establish information technology requirements for effective implementation of the KMC strategy using social media and internet tools.
- l. Plan and coordinate communication and advocacy campaigns through mass media, newsletters, stakeholder meetings, and other communication channels as appropriate.
- m. Assist in developing integrated information systems to enable M&E of project activities.
- n. Monitor and evaluate performance of the project's KMC strategy at the state level.
- o. Contribute to the drafting of periodic project progress reports.
- p. Maintain updated cataloguing of the project's knowledge assets/online resource materials.
- q. Undertake other KMC tasks as required.

Qualification and experience

- a. Higher level university degree or equivalent in a field related to communications, journalism, development or a related discipline.
- b. Minimum of three years of experience in information, knowledge management, and/or development communication, preferably in the agriculture and rural development sector. Experience in media relations, ICT and extension will be an advantage.
- c. Proven ability in documentation and advocacy; demonstrated capacity to develop and oversee implementation of documentation of programme results, presentations, communication and reporting skills.
- d. Strong oral and written communication skills; experience of interacting with a variety of internal and external stakeholders.
- e. High degree of motivation, initiative, independence, reliability, adaptability, and professional maturity; and places a premium on "getting things done".
- f. Strong project management and coordination skills; able to handle multiple tasks and balance priorities with various stakeholders

Reporting and location

The position will be in the SPCO housed in the State ADP. The SKMO will report directly to the SPC.

Duration

The duration of the assignment will be on 2-year renewal basis following successful completion of a 1-year probational period.

===

SPC07: State Project Accountant (SPAC)

Main responsibilities

Within the framework of the project design report and loan/grant agreements, the State Project Accountant is responsible for the financial and administrative management of the project at the state level, including accounting, budgeting, financial reporting, internal controls, auditing arrangement, flow of funds and the efficient management of project resources.

Specific duties

- a. Master IFAD key documents such as, the disbursement handbook, procurement guidelines and handbook, IFAD guidelines for project audits, the Financing Agreement (FA) and the Letter to the Borrower (LTB) as well as the Project Financial Procedures Manual.
- b. Draw up annual budgets and work plans for the SPCO.
- c. Ensure that all accounting records are maintained in line with approved accounting standards and in line with the IFAD requirements (IPSAS Cash).
- d. Ensure that monthly bank reconciliation statements are prepared for all bank accounts at the state level.
- e. Ensure strict adherence to installed internal control systems for all areas of project operation in accordance with the project financial procedures manual.
- f. Liaise with the internal/external auditors and follow up any audit queries/management letters.
- g. Ensure payments are executed in a timely manner and that appropriate records of prepayments and advances are maintained.
- h. Make sure all expenditure items: i) meet the eligibility criteria as defined in the IFAD Financing Agreement, ii) are supported by adequate documentation (invoice, contracts, evidence of payments etc..).
- i. Ensure the timely preparation of quarterly and annual financial reports in agreed format including: i) sources and uses of funds statement, including incurred expenditures by component, expenditure category and financier, ii) variance report (actual versus budgeted expenditures), iii) designated account reconciliation statement, iv) withdrawal application - statement of expenditure, v) fixed asset register, vi) contract register for submission to the RPCO for consolidation.
- j. Perform physical inventory of project assets each year at the state level.
- k. Provide assistance to the external auditors as required.
- l. Undertake other duties/special assignments as may be directed by the SPC or the Financial Controller at the RPCO.

Qualification and experience

- a. Minimum of 8 years' post-professional experience, at least 6 of which must be in management.
- b. A professional qualification (FCA, ACA, FCNA, CNA) with at least 10 years of post-qualification experience, at least 6 of which must be in management.
- c. A minimum of 6 years' experience in management team of IFAD-assisted or donor funded projects.
- d. Good interpersonal relationship, transparently honest, team worker and possess ability to train counterparts; and must be healthy and fit to undertake extensive field visits.
- e. Member of Financial Reporting Council of Nigeria, with strong working knowledge of both national and international accounting procedures.
- f. Strong computer skills, spread-sheets, and other relevant accounting packages.
- g. Working knowledge of banking and financial control procedures.
- h. Excellent written and spoken English.

Reporting and location

The position will be in the SPCO housed in the State ADP. The SPAC will report directly to the SPC.

Duration

The duration of the assignment will be on 2-year renewal basis following successful completion of a 1-year probational period.

===

SPCO8: State Finance Officer (SFNO)

Main responsibilities

The State Finance Officer is responsible for supporting the State Project Account (SPAC) in the effective discharge of his/her functions.

Specific duties

- a. Master IFAD key documents such as, the disbursement handbook, procurement guidelines and handbook, IFAD guidelines for project audits, the Financing Agreement (FA) and the Letter to the Borrower (LTB) as well as the Project Financial Procedures Manual.
- b. Assist in the preparation and monitoring of annual operational budgets at the state level.
- c. Assist the SPAC in the implementation of a sound financial management system.
- d. Assist the SPAC in preparing financial reports, including monthly funds reconciliation, and monthly expenditure statements.
- e. Responsible for collecting/issuing receipts, preparing Payment Vouchers and maintaining the cash records in accordance with laid down procedures.
- f. Assist the SPAC to prepare transaction vouchers, and input all transactions into the project accounting system before submission to the SPAC for approval.
- g. Assist the SPAC to process all payments, ensuring that SPCO procedures are strictly adhered to.
- h. Assist the SPAC to process monthly payroll, payment of salaries to staff and project contributions.
- i. Assist the SPAC to prepare payment requests submitted to the SPCO.
- j. Assist the SPAC in preparing cash flow forecasts as required.
- k. Assist in reviewing and monitoring financial returns from implementing partners, including periodic visits to their offices.
- l. Collate data received from colleagues into the system.
- m. Manage a well-organized and up-to-date filing system for accounting and financial records.
- n. Provide assistance to the internal and external auditors as required.
- o. Perform secretarial duties, including maintenance of a well-organized filing system.
- p. Collect and review financial reports from PFMUs.
- q. Ensure invoices submitted for payment at the State level are promptly attended to.
- r. Ensure Petty Cash disbursements are appropriately and adequately documented.
- s. Write cheques.
- t. Update the Cheque Issued Register.
- u. Undertake any other activities assigned by the SPAC or the SPCO management.

Qualifications and experience

- a. Minimum of 8 years' post-professional experience, at least 6 of which must be in management.
- b. A professional qualification (FCA, ACA, FCNA, CNA) with at least 10 years of post-qualification experience, at least 6 of which must be in management.
- c. A minimum of 6 years' experience in management team of IFAD-assisted or donor funded projects.
- d. Good interpersonal relationship, transparently honest, team worker and possess ability to train counterparts; and must be healthy and fit to undertake extensive field visits.
- e. Member of Financial Reporting Council of Nigeria, with strong working knowledge of both national and international accounting procedures.
- f. Strong computer skills, spread-sheets, and other relevant accounting packages.
- g. Working knowledge of banking and financial control procedures.
- h. Excellent written and spoken English.

Reporting and location

The position will be in the SPCO housed in the State ADP. The SFNO will report directly to the SPAC.

Duration

The duration of the assignment will be on 2-year renewal basis following successful completion of a 1-year probational period.

===

SPCO9: State Procurement Officer (SPRO)

Main responsibilities

The State Procurement Officer will be responsible for the management of state level project procurement activities, in accordance with relevant National and IFAD Procurement Guidelines. He/she will report directly to the State Project Coordinator.

Specific duties

- a. Ensure that procurement is carried out such that transparency, integrity, economy, openness, fairness, competition and accountability remain the cardinal target.
- b. Facilitate the preparation as well as update and review of the yearly procurement plan while ensuring that procurement activities are carried out as per the approved procurement plan.
- c. Prepare State Quarterly Tracking Procurement plan.
- d. Maintain and regularly update the contract register and No-objection tracker.
- e. Prepare and periodically update the state data base of vendors, suppliers and consultants.
- f. Facilitate the preparation of technical specifications/ terms of reference for procurement of goods, works and services.
- g. Prepare bidding documents, tender notices, and invitations for bids.
- h. Receive, open and evaluate bids, as well as finalize contracts.
- i. Administer contracts to ensure compliance with the contracts conditions, payment terms.
- j. Maintain all the records relating to procurement.
- k. Handle issues relating to contract negotiation, complaints and debriefing.
- l. Prepare procurement implementation reports in accordance with the reporting requirements of IFAD and the Government.
- m. Provide training, guidance and supervision to the beneficiaries and service providers.
- n. Ensure that the procurement capacity of the beneficiaries and service providers is developed.

Qualification and experience

- a. Minimum university degree in Engineering, Finance, Management, Purchasing or equivalent qualifications.
- b. Minimum of 4 years of relevant post qualification experience.
- c. Strong background and experience in successfully carrying out procurement using similar procedures, methods, specifications etc.
- d. Knowledge (at least 2 years) of internationally accepted 'best practice' systems, the Nigerian Procurement Laws and Guidelines and experience in working with IFAD or any donor funded projects.
- e. Good writing skills and good computer skills.
- f. Demonstrate team spirit, good interpersonal and conflict management skills.
- g. Integrity and confidentiality.

Reporting and location

The position will be in the SPCO housed in the State ADP. The SPRO will report directly to the SPAC.

Duration

The duration of the assignment will be on 2-year renewal basis following successful completion of a 1-year probational period.

===

SPCO10: State Administration and Logistics Officer (SALO)

Main responsibilities

The State Administration and Logistics Officer will be responsible for setting up and streamlining administrative procedures at the state level as provided in the Project Administrative Manual.

Specific duties

- a. Set up the administrative system as provided in the Project Administrative Manual.
- b. Advise the SPC in all areas of administration as well as participate in administrative planning in consultation with management staff to support project activities.
- d. Liaise with other project staff, IFAD projects and ICO Nigeria for compliance with respect to communities of practice.

- e. Set up employee database and prepare other reports stipulated in the Manual.
- f. Initiate recruitment procedures of both local staff and consultants, and raise contracts.
- g. Manage performance evaluation, reward, training and leave of staff.
- h. Manage travel arrangements, all logistics arrangements for project activities, vehicles maintenance and fuel log, retirement of claims.
- i. Manage grounds/offices and timely maintenance of infrastructure and equipment.
- j. Ensure compliance with security guidelines.
- k. Undertake other related duties as may be required.

Qualification and experience

- a. University degree (Bachelors) in business, public administration or human resources management.
- b. A minimum of 4 years' working experience in Administration or 2 years' experience and a Master's degree in the above fields.
- c. Must have experience in human resource management and coordination of trainings.
- d. Ability to motivate, inspire and achieve results.
- e. Integrity and confidentiality.
- f. Planning, problem solving and decision-making skills are required.
- g. Excellent written and verbal skills in English and knowledge of at least one indigenous language.

Reporting and location

The position will be in the SPCO housed in the State ADP. The SALO will report directly to the SPC.

Duration

The duration of the assignment will be on 2-year renewal basis following successful completion of a 1-year probational period.

===

SPCO11: State Project Internal Auditor (SPIA)

Main responsibilities

The State Project Internal Auditor shall ascertain and evaluate the adequacy and effectiveness of the financial management and internal control framework; ensure compliance with the IFAD and Federal Government project Financing Agreement, IFAD disbursement procedures, Project Implementation Manual, etc; identify critical weaknesses if any, and areas for improvement; and provide the project coordination team at the regional and state levels with timely information and recommendations on financial management aspects of the project to enable timely corrective actions.

Specific Duties

- a. Carry out audit in accordance with international standards of auditing, including such tests and controls as the auditor considers necessary. The audit will cover implementing partners and the beneficial level.
- b. Ensure that the accounting and financial management systems remain reliable and effective in design and assess the extent to which they are being followed. Ascertain the reliability of integrity, controls, security and effectiveness of the operations of the computerized accounting system.
- c. Identify constraints, if any, in the timely updating of the accounting system and in adhering to the internal control procedures including the Project Implementation Manual and the Financial Procedures Manual.
- d. Review the adequacy of the systems established to ensure compliance with policies, plans procedures, laws, and regulations and establishing whether the project at the state level is in fact in compliance. Check and report on compliance with the IFAD Financing Agreement covenants.
- e. Review the efficacy, adequacy and application of accounting, financial and operating controls and thereby ensure the accuracy of the books of accounts; Review the accuracy and timeliness

- of the quarterly Financial Reports produced by the project and confirm whether these are used by the management for decision making.
- f. Verify that the system of internal check is effective in design and operation in order to ensure the prevention of and early detection of defalcations, frauds, misappropriations and misapplications.
 - g. Evaluate the Internal Control System in operation to ensure effectiveness, efficiency and economy.
 - h. Check the segregation of duties in the project such as: i) authorization and approval, ii) recording, iii) documentation on the following operating costs: maintenance of vehicles/equipment, fueling, motor license/insurance, utilities (water, electricity, telephone), office rent and rates, salaries and allowances of project support staff, Insurance.
 - i. Check that the Statements of Expenditure (SOE) submitted to IFAD reconcile with the expenditures reported under the quarterly and yearly financial reports. Duly record any ineligible expenditures noted during the review.
 - j. Ensure reconciliation of bank statements and accounts is regularly carried out on a monthly basis and necessary corrections on accounts of banks/debits and stale transactions accounted for concurrently.
 - k. Conduct an independent appraisal of all the project's activities. Consider the adequacy of controls to ensure economy, efficiency and effectiveness in the implementation of project activities.
 - l. Confirm that IFAD No-objections given to the RPCO and the SPCO for incurring expenditure under the project are used for purpose intended.
 - m. Undertake procurement audits to ensure procedures are done transparently as per procedures/thresholds. Verify that all the goods, works and services procured and issues are supported by valid receipt and documents including IFAD no-objection and that a Register of Contracts and contract monitoring forms are maintained and up-to date.
 - n. Ensure that adequate records are maintained regarding the assets created and assets acquired by the project, including details of cost, identification and location of assets; and that the physical verification of assets is being carried out with due diligence and an annual inventory report is duly issued. Physical verification of assets and other inventories would be taken up as deemed necessary by the auditor in respect of all goods.
 - o. Ensure reconciliation of disbursement between RPCO and the SPCO are reconciled and accounted for.

Qualification and experience

- a. A minimum of first degree or Higher National Diploma in Accounting with a minimum working experience of 8 years, 4 years in IFAD-assisted project.
- b. A Professional Certificate in Accounting or Auditing is an added advantage.
- c. Good communication and training skills.
- d. Proven track record in internal auditing.
- e. Working experience of the Niger Delta area is a plus.
- f. Ability to motivate, inspire and achieve results will be an added advantage.

Reporting and location

The position will be in the SPCO housed in the State ADP. The SALO will report directly to the SPC.

Duration

The duration of the assignment will be on 2-year renewal basis following successful completion of a 1-year probational period.

===

SPCO12: Local Government Desk Officer (LGDO)

The Local Government Desk Officer will facilitate the linkage between the SPCO and community members including the targeted agri-enterprise groups/incubators and the CADAs. He/she will function as the project focal person in the LGA.

Specific Duties

- a. Facilitate and participate in the sensitization of the existing CADAs, enterprise groups, traditional rulers, opinion leaders, youth and women leaders and influential community members to foster understanding on the new direction of LIFE project
- b. Promote the formation of the new CADAs where they do not exist which will serve as apex associations of enterprise groups formed at the community level.
- c. Participate in the monitoring and supervision of the project activities in the LGA.
- d. Assist in profiling the existing and new agri-enterprise groups, incubators and CADAs in the LGA.
- e. Undertake any other assignment given by SPCO.

Qualification and experience

HND or Bachelor in Agriculture, with at least 5 years' experience working with farmers and agri-enterprises as an extension agent. Must be staff of the LGC Department of Agriculture.

Annex 1a: Indicative terms of reference for some technical assistance

TASS1: *Climate and Environment Specialist*

The need to mainstream climate change and environmental management into agricultural activities is becoming paramount to achieve sustainable agricultural development for food security under climate change. This entails sustainably increasing agricultural productivity and incomes; adapting and building resilience to climate change; and reducing and/or removing greenhouse gases emissions, where possible. Limited awareness of climate issues and the key changes required to protect agriculture, poor management of land, water, soil nutrients and genetic resources, inconsistency of the governance regimes, policies, legislations and financial mechanisms with the requirements for climate friendly agricultural practices, inefficient and unsustainable management of agriculture and natural resources e.g. soil, water, etc., lack of awareness of soil management practices, lack of research into climate smart agriculture, lack of awareness on climate change and its effects on agricultural practices and poor infrastructure to support climate smart agriculture have been some of the factors limiting climate and environmental-smart agriculture in Nigeria.

The Climate and Environment Specialist will be responsible to the Regional Project Coordinator. He/she will be responsible for advice on the overall management of activities related to mainstreaming climate change adaptation measures and sustainable environmental practices into the production, processing and marketing of commodities across value chain clusters. He/she will: (i) develop crop agro-ecological suitability map; (ii) carry out assessment and identification of negative impacts and opportunities for green growth in commodities clusters and value chains; (iii) ensure that recommended mitigation and adaptation measures (including no-regret measures) are adhered to and implement opportunities for green growth along the value chains and ensure overall environmental sustainability of the project; (iv) work closely with the climate data generating agency and the extension agency to make sure climate information is produced and delivered to farmers promptly to guide scheduling of on-farm activities; and (v) develop training schedules and manuals for capacity building purposes for related institutions, communities and farmer groups on climate change and environment.

Specific duties

- Revise and update the draft project implementation manual (PIM) for support of climate change adaptation and environmental management
- In close consultation with the Monitoring and Evaluation Coordinator, develop a framework for measuring resilience among the target beneficiaries including indicators to be monitored within the project's M&E system.
- Ensure the inclusion of climate resilience and environmental data collection in the baseline studies to be undertaken at the start of the project.
- Carry out environmental and climate analysis and assessment of commodity clusters.
- Prepare Environmental and Social Management Plan (ESMP) and Basic Climate Risk Analysis.
- Develop crop agro-ecological suitability maps.
- Plan and create awareness for agri-entrepreneurs on environment and climate-smart practices in all aspects of the enterprise and value chain opportunities in environmental mitigation practices.
- Assist farmers to undertake no-regret measures including agricultural insurance.
- Ensure adherence to environmental standards and rules and discourage production and processing enterprises that are environmentally unsustainable.
- Work closely with extension services and climate services to improve collaboration and climate information and technology updates delivery to farmers to guide on farm activities.
- Assist states' environmental agencies to carry out environmental assessment and monitoring.
- Facilitate training of intended entrepreneurs on waste valorization and integrated pest and agrochemicals management.
- Develop a manual for environmental training on sustainable agricultural enterprise based on state peculiarities.

- Create baseline information for all the specific project locations/clusters using GPS, Remote Sensing and field surveys during project inception and develop an environmental information system within a GIS to monitor the project locations/clusters during the project life cycle.
- Advise on the recruitment process for all the service providers and technical assistance required for the implementation of the climate adaptation and environmental management related activities, including the development of specific terms of reference, preparation of detailed work plans.
- Advise on the selection of service providers where necessary and formulation of TORs and scope of work for the service providers. Supervise, monitor and certify the work of service providers for the various activities and assignments.

Qualification and experience required

- Advanced degree in agriculture, natural resource management (NRM) or rural development or related fields.
- At least five years of experience in the field of Climate Change Adaptation, Environment and NRM with strong knowledge of climate change adaptation.
- Good knowledge and experience in Geographic Information System (GIS) and environmental database development and remote sensing.
- Thorough knowledge of climate change adaptation and environmental safeguards and familiarity with all the governmental and non-governmental actors and stakeholders involved in the policy dialogue on climate change adaptation and environment at the national level and regional levels.
- Proven experience in the leadership and coordination of multidisciplinary teams and in the planning, implementation and monitoring of complex projects.
- Excellent and proven presentation, facilitation and negotiation skills.
- Good knowledge of communication tools and technologies (internet, Microsoft Office packages etc).
- Fluency in oral and written English is essential.
-

Note: Preference would be given to a candidate with previous working experience in Climate Change Adaptation and Environmental related projects and working experience in the Niger Delta region.

===

TASS2: Nutrition and Food Security Specialist

The Nutrition and Food Security Specialist will be responsible for the facilitation of nutrition mainstreaming in project interventions in the Niger Delta region.

Specific duties

- Facilitate the analysis of nutrition gaps along the supply chain of priority commodities in the project locations.
- Facilitate the periodic food survey and report dissemination on Knowledge, Attitude and Practice (KAP).
- In collaboration with selected relevant institutes and/or private sector, facilitate the promotion of value added products development and consumption among project beneficiaries.
- Organize nutrition publicity on project nutrition activities; facilitate the development and testing of appropriate campaign messages, tools and materials to promote nutrition education, social and behavioural change communication.
- Facilitate capacity building and training sessions on nutrition-sensitive agriculture for project staff, implementers, nutrition officers, ADPs and extension workers.
- In collaboration with other stakeholders and partners, facilitate the activities on Home Grown School Feeding Initiative, vegetable garden and integrated homestead food production.
- Establish and maintain working relationships with the line ministries (such as health, gender, education) to build synergy in nutrition-sensitive interventions in LIFE.

- Track and document substantive data and information on nutrition-sensitive activities and maintain regular technical reports on nutrition outcomes, nutrition indicators and food security as linked to project interventions.
- Work collaboratively with the technical specialists on gender and climate in documenting interface on nutrition outcomes.

Qualifications and experience required

- Advanced university degree from an accredited institution in the field of Human Nutrition, Food Science or equivalent in a field related to Food Security.
- At least 3 years' experience in, and demonstrated understanding of food and nutrition initiatives in rural development. Knowledge of the Niger Delta region is an advantage.
- Experience in previous food survey and/or nutrition programme is required.
- Excellent written and verbal communication skills in English. Working knowledge of another local language in Niger Delta region is essential and desirable.
- Experience of interacting with a variety of internal and external stakeholders is desirable.
- Strong project coordination skills; and basic knowledge on gender and climate change issues is desirable.

===

TASS3: Sustainable Agriculture and Climate Change Specialist (State)

The need to mainstream sustainable agriculture under climate change scenarios is becoming paramount for food security and employment generation for youth and women agri-entrepreneurs. This entails sustainably increasing agricultural productivity and incomes; adapting and building resilience to climate change; and reducing and/or removing greenhouse gases emissions, where possible. Limited awareness of climate and sustainability issues and the key changes required to protect agriculture, poor management of land, water, soil nutrients and genetic resources, inconsistency of the governance regimes, policies, legislations and financial mechanisms with the requirements for climate friendly agricultural practices, inefficient and unsustainable management of agriculture and natural resources e.g. soil, water, etc., lack of awareness of soil management practices, lack of research into climate smart agriculture, lack of awareness on climate change and its effects on agricultural practices and poor infrastructure to support climate smart agriculture have been some of the factors limiting climate and environmental-smart agriculture in Nigeria.

The Sustainable Agriculture and Climate Change Specialist will be responsible to the State Project Coordinator. He/she will supervise activities relating to productivity improvement and agro-processing efficiency of small scale producers and processors and also supervise activities related to mainstreaming climate change adaptation measures and sustainable agricultural practices into the production, processing and marketing of commodities across value chain clusters.

He/she will: (i) assist the Climate and Environment Specialist at the Regional Office in conducting climate and environmental assessments and crop agro-ecological suitability map; (ii) carry out assessment and identification of negative impacts and opportunities for green growth in commodities clusters and value chains at state levels; (iii) ensure that recommended mitigation and adaptation measures (including no-regret measures) are adhered to and implement opportunities for green growth along the value chains; and (iv) ensure environmental sustainability of the project at the state level.

Specific duties

- Assist the Sustainable Agriculture Specialist and Climate and Environmental Specialist to develop activities for the Annual Work Plan and Budget (AWPB).
- Assist the Sustainable Agriculture Specialist and Climate and Environment Specialists to revise and update the draft project implementation manual (PIM) for support of climate change adaptation.

- In close consultation with the Monitoring and Evaluation Officer, assist in developing a framework for agricultural sustainability and resilience among the target beneficiaries including indicators to be monitored within the project's M&E system.
- Ensure the inclusion of sustainability and climate resilience data collection in the baseline studies at state level.
- Guide the incorporation of climate change and climate smart agriculture adaptation measures into the design and construction of various infrastructures by the incubators/clusters.
- Maintain a database of relevant institutions that can serve as service providers to build technical capacity of the beneficiaries at state levels.
- Assist the Sustainable Agriculture Specialist in setting up the overall input distribution and equipment scheme including starter packs.
- Assist the Climate and Environment Specialist to prepare Environmental and Social Management Plan (ESMP) and Basic Climate Risk Analysis and crop agro-ecological suitability maps.
- Ensure adherence to environmental standards and rules and discourage production and processing enterprises that are environmentally unsustainable at state levels.
- Facilitate the necessary trainings and capacity building processes at the state level including training of intended entrepreneurs on waste valorization and integrated pest and agrochemicals management, and develop a manual for environmental training on sustainable agricultural enterprise based on state peculiarities.
- Facilitate regular collection of field data to update the Environmental Information Systems for project management.

Qualification and experience required

- Bachelor degree in agriculture, natural resource management (NRM) or rural development or related fields. Advanced degree in the area will be an added advantage.
- At least five years of experience in the areas of Sustainable Agriculture and Climate Change Adaptation, Environment and NRM with strong knowledge of Agricultural Value Chain Management and Climate Change Adaptation in the agricultural sector.
- Experience in field data collection and integration including from GPS, Remote Sensing and GIS and environmental database management.
- Thorough knowledge of sustainable agriculture and climate change adaptation and environmental safeguards and familiarity with all the governmental and non-governmental actors and stakeholders involved in the policy dialogue on sustainable agriculture, agricultural value chain and climate change issues at the state level.
- Experience in the coordination of multidisciplinary teams and in the planning, implementation and monitoring of complex projects.
- Excellent and proven presentation, facilitation and negotiation skills.
- Good knowledge of communication tools and technologies (internet, Microsoft office packages etc).
- Fluency in oral and written English is essential.

Note: Preference would be given to a candidate with previous working experience in Sustainable Agriculture related projects and working experience in the Niger Region.

Appendix 6: Planning, M&E and learning and knowledge management

Learning and Knowledge management

1. Knowledge management and innovation play a central role in IFAD's scaling up agenda. LIFE has the potential to bring immense field experience into the policy discourse on youth and women agribusiness development in Nigeria. Knowledge that will be generated by this Project will contribute significantly to the design and implementation of youth and poor women's empowerment agricultural interventions within the Agriculture Sector. Therefore, harnessing the project experiences by highlighting success stories and presenting grounded analysis of what worked and what has not worked are key areas for LIFE's knowledge management. Consequently, useful information will be generated for similar future interventions. This calls for developing suitable knowledge sharing platforms and mechanisms to improve information flow among diverse stakeholders. The programme will package and disseminate information to the respective stakeholders in the appropriate formats (e.g. brochures, studies, articles, newsletter, case studies, TV, radio and internet); using the IFAD supported Central Communication platform established to coordinate knowledge management activities of on-going IFAD programmes in Nigeria. This knowledge-sharing process will be supported by a well-focused series of workshops and joint learning events. National and regional knowledge networking will be supported to build and share approaches, tools, methodologies, technologies and best practices.

2. A comprehensive Knowledge Management and communication strategy will be developed to support programme implementation and make LIFE more effective and efficient, enable it to simplify processes, adapt much faster to emerging realities and lessons, and achieve greater impact. The project's overall KM strategy would focus on four priorities: generating trust and fostering linkages between stakeholders; managing and sharing information, knowledge and experiences among actors; innovation activities and creating conditions for replication, scaling up and sustainability and knowledge products development and dissemination. The main purpose of KM processes within the project would be to ensure that the knowledge generated is systematically identified, analysed, documented, used to improve the performance of LIFE and shared. The KMC strategy would be fully aligned to the FMARD knowledge management framework for stakeholders in the agricultural sector in Nigeria which aims at supporting policy processes, enhancing effectiveness and efficiency of interventions and programmes and fostering learning and knowledge exchange at federal, state and local level (including public and private sector, civil society, farmers and development partners). The programme will make adequate budgetary provision to execute this function effectively, including national and international technical assistance. A Knowledge Management and Communication Coordinator will be responsible for the knowledge management and communication function under the overall guidance of the Knowledge Management and Communications Advisor at the CCU.

3. Building on the past experiences and lessons from CBNRMP, special attention needs to go to (i) making sure activities and budget are planned at the onset of the project, (ii) project launch for branding and visibility (iii) ensuring that KM indicators are included in the M&E system, (iv) setting up solid information management systems (e.g. electronic archives), (v) clarifying roles and responsibilities in KM in the project management teams, (vi) facilitating cross-project exchanges and building communities of practice, (vii) organising exchanges with other projects and agencies, documents, workshops, and other activities to disseminate results and attract the interest of government and development partners for improvement of their practices, replication and up-scaling of project innovations.

4. Policy engagement will be strengthened at all levels, to make sure that LIFE gets on the top of the political agenda and to build a supportive policy framework and enabling environment for effective youth and women employment in agribusiness. LIFE will develop a coherent approach to policy dialogues based on evidence from project activities, best practices and lessons learned to influence policy makers to develop improved policies to support young men and women in profitable agri-enterprises. NGOs and CSOs will be key partners with LIFE in implementing policy dialogues because they represent and provide the voice of people especially youth and women.

5. A knowledge management strategy will be developed by LIFE during the first six months of the project and linked to the Knowledge Management Strategy of the FMARD. The strategy will aim to create a value chain between M&E, knowledge and communication in order to collect, process, document, use and distribute on a large scale the data and information generated by project activities. Multiple media and new technologies will be used.

6. The first step will be to collect in an electronic library all the important documents that provide information on the implementation of LIFE. The second step will be to make an inventory and catalogue on an electronic platform of the activities of the beneficiaries, budget, results and impacts. The most important information will be compiled and fed into a database that will show long-term trends for key indicators. The third step will be to analyze and present the data from the database in a user-friendly and differentiated form, according to the needs of the users. Graphs and maps will be created to show the evolution of the interventions of the project in the intervention area.

7. The dissemination and communication of the results will be done through: (i) a website developed by LIFE, which will be able to publish newsletters four times a year; (ii) interactive radio broadcasts; and (iii) exchange visits on knowledge and innovations. The results of LIFE will be made available to different partners for use in policy dialogue and the design of new projects. To this end, workshops and other opportunities for dialogue will be organized and supported annually during the presentation of LIFE's progress report. Good practices and success stories will also be identified, disseminated and scaled up. Particular attention will be given to the utilization of local knowledge generated by the project. Technical and knowledge capitalization documents (fact sheets, technical references, etc.) will be produced in various forms in collaboration with the technical team of the project during the life of the project. To this end, the RPCO will have Knowledge Management and Communication (KMC) Coordinator and each SPCO a KMC Officer.

8. Planning

9. LIFE will prepare the AWPB in a participatory manner by involving the various actors in priority agricultural commodities and strategic partners. Each state will develop an annual action plan with the participation of strategic partners and service providers. These plans will then be consolidated into a single AWPB, which will be submitted for analysis and validation to the regional Technical Support Committee and, then submitted for approval by the National Steering Committee.

10. Each AWPB proposal will include: (i) a detailed description of the activities planned for the coming year, together with the monitoring indicators and modalities for implementation; (ii) an 18-month procurement plan; (iii) a disbursement plan; and (iv) expected results. From the second year onwards, the AWPB should include a summary presentation of the results obtained and the constraints encountered during the previous year. A flexible approach to the possible revision of the AWPB during the fiscal year will be adopted to take into account the recommendations provided by the implementation stakeholders. A timetable for the preparation, analysis, validation, approval, implementation and review of AWPBs will be prepared by the PMU and approved by the National Steering Committee at its first meeting.

Monitoring and evaluation

11. LIFE will develop an M&E system that focuses on results and uses these results for decision-making at different levels. This system will be used to provide information that is useful to measure implementation progress, the outcomes and impact of project activities on the target population and to steer the project. It will incorporate a short list of readily verifiable indicators related to IFAD's Results and Impact Management System (RIMS). The M&E system will be based primarily on LIFE's logical framework and the indicators will be disaggregated as much as possible by gender and age so as to inform the project's contributions to gender equity, women's empowerment and youth inclusion.

12. LIFE's M&E system will be participatory and will involve several steps, including:

- i. If necessary, technical assistance in the first six months of the project to develop an effective M&E system and build the capacity for its implementation. This technical assistance should help to develop the implementation of LIFE's intervention logic.

- ii. Quantitative baseline surveys, supplemented by data from strategic studies on key project themes, including sector analysis, agribusiness opportunities for young people, issues related to gender, rural finance, etc. This baseline situation would also serve as a pre-impact assessment. It will allow for the development of impact trajectories that can identify and quantify the effects resulting from project interventions;
- iii. Ongoing internal M&E of project performance in terms of physical and financial progress of AWPB activities. The collection of information will be done through a simple and reliable system, including geographic information systems (GIS) tools for data collection and transmission, to feed a data base and a map with real-time project results, that can be shared with project partners and the general public;
- iv. Participatory self-assessments with project stakeholders, such as service providers;
- v. Joint supervision missions by the Government and IFAD, with a frequency of two supervision missions per year, as well as missions to support implementation;
- vi. An internal and external midterm evaluation at the end of the third year of the project;
- vii. Annual outcome surveys after midterm;
- viii. A completion evaluation based on an impact study during the final year of the project. The impact study will use mixed methods, integrating participatory, qualitative and quantitative approaches in order to enhance the reliability of the data and to deepen the understanding of the results chain; and
- ix. At project completion, a final mission to prepare a completion report and organize a closing workshop with project stakeholders.

13. LIFE will use participatory approaches and methods, including assessments done by stakeholders, the collection of oral testimonials, participatory social mapping, charts and diagrams of causal relationships, trends and changes, and brainstorming on the strengths and weaknesses of project interventions. These participatory methods make it possible to capture the experiences and realities of LIFE's direct beneficiaries. They will also help to understand how contextual factors are influencing the implementation and outcomes of the project.

14. If necessary towards the end of the project, technical assistance will allow to develop quantitative impact assessment methods with well-structured statistical models to determine the magnitude of impacts, causal relationships, comparisons with the counterfactual - what would have happened in the absence of LIFE, before and after, with and without the project, beneficiary and non-beneficiary households, and positive and negative impact on groups other than the direct beneficiaries. These impact assessments will help to better understand LIFE's impact on target households and its contribution on a larger scale, with direct and indirect outcomes.

15. The regional Project Coordination Office will be responsible for M&E, validation, consolidation, data analysis and reporting. The project's M&E system will be integrated with that of the FMARD and other partners to ensure sustainability and an effective use.

16. The M&E system will include social and environmental safeguard measures to support all project activities, especially those expected to have a critical impact. On the basis of the analysis and recommendations of the SECAP note, the project will finance the preparation of environmental and social management plans.

Appendix 7: Financial management and disbursement

A. Financial management assessment (FMA) of the project

1. **Methodology.** In accordance with IFAD guidelines, a Financial Management Assessment (FMA) has been undertaken as part of project design. The objective of FMA is to provide assurances that the project will be implemented in an environment with sufficiently strong financial management systems and controls in place to properly manage, control and report on project finances. The FMA involves assessing: (1) the inherent risk at country level; and (2) the project specific risk.

60. **Country context and inherent risk.** As a whole Nigeria remains a high risk environment although some improvements are being noted. Fighting corruption is high on FGN's agenda and the corruption perception index published by Transparency International has shown a minor increase in the past years⁴⁶. Similarly, the World Bank's doing business report notes that despite some developments (e.g. registering property and protecting minority investors), the country still ranks relatively low (169 out of 189) with regards to the ease of doing business. Several PEFA assessments have been conducted between 2008 and 2013 at state level of which only four reports have been made public. The reports reveal that although some minor differences between states can be noted, the overall quality of Public Financial Management systems in the country is weak and requires improvements. At the federal level, FGN is making some progress in improving its financial management systems and practices. For instance in 2016, FGN set up a Treasury Single Account (TSA) in the CBN, improving the FGN's ability to monitor the flow of funds to externally financed programmes and projects and better control over USD transactions. FGN is also making efforts to adopt the International Public Sector Accounting Standard (IPSAS) accrual basis in the coming years.

3. **Project financing.** The project will be financed by IFAD, FGN, participating states as well as project beneficiaries. The IFAD financing will be in USD 60 million loan subject to interest on the principal amount outstanding at a fixed rate of 1.25 per cent and shall have a maturity period of twenty five (25) years, including a grace period of five (5) years, and in addition a service charge of 0.75 per cent, starting from the date of approval by the Executive Board. FGN is expected cover for all taxes under the project as well as salaries of seconded staff to the RPO. Each participating state will cover for all salaries of SPO seconded staff respectively. All directly hired project staff as well as compensation allowance for the seconded staff is expected to be covered by IFAD.

4. **Taxes.** The FGN will cover all taxes under the project. Consequently, IFAD funds cannot be used to pay VAT, duties or other taxes imposed on the project. However, as per IFAD procedures, taxes paid by the ultimate recipient of an expenditure (e.g. income taxes paid by a project employee or withholding taxes on the profits of a contractor) are not considered to be taxes paid by the project.

5. **Project financial management.** As part of the project IFAD will enter into a financing agreement with the Federal Ministry of Finance which will represent the federal government of Nigeria. FGN will further enter into sub agreement or MoU with the lead project agency, the Federal of Ministry of Agriculture and with the all the participating states.

6. To ensure efficient project implementation, the Regional Project Coordination Office (RPCO) will assume overall responsibility of managing the project's fiduciary performance including sound consolidation of financial reports and submission of Withdrawal applications to IFAD and hiring of the external auditor. The State Project Coordination Office (SPCO) in each state will have dedicated financial staff and accounting systems to manage the fund transferred to the state level. In order to make full use of country systems, in states with solid Programme Financial Management Units (PFMU) already set up under the Accountant General's Office, the FM function of the SPCO may be outsourced to the PFMU.

7. **Anticorruption and good governance framework.** In accordance with its Policy on Preventing Fraud and Corruption in its Activities and Operations (Anticorruption Policy), adopted by

⁴⁶ 2012 (27);2013 (25);2014(27); 2015 (26) 2016 (28)

the Executive Board in December 2005, IFAD applies a zero-tolerance policy towards fraudulent, corrupt, collusive or coercive practices in Programmes financed through its loans and grants. 'Zero tolerance' means that IFAD will pursue all allegations falling under the scope of this Policy and, if allegations are substantiated, appropriate sanctions will be applied on the parties or entities involved. Among the remedies available to IFAD under the General Conditions for Agricultural Development Financing are the suspension and cancellation of a loan and/or grant. IFAD may suspend, in whole or in part, the right of the Borrower/Recipient to request withdrawals of funds after giving notice to the Borrower/Recipient that credible allegations of coercive, collusive, corrupt or fraudulent practices in connection with the Programme have come to the attention of IFAD, and the Borrower/Recipient has failed to take timely and appropriate action to address the matters to the satisfaction of IFAD. IFAD may cancel, in whole or in part, the remaining amounts in the Loan and/or Grant Accounts, after consultation with the Borrower/Recipient. If IFAD thereafter determines that coercive, collusive, corrupt or fraudulent practices were engaged in by representatives of the Borrower/Recipient or any Programme Party, and no timely and appropriate action was taken to remedy the situation. All payments made relating to any coercive, collusive, corrupt or fraudulent practice by any representative of the Borrower/Recipient or any Programme Party shall be considered ineligible for IFAD financing and shall be refunded to IFAD.

8. Under the General Conditions for Agricultural Development Financing, by notice to the Borrower/Recipient, the Fund may require that all bidding documents and contracts for procurement of goods, works and services financed by the Financing include provisions requiring bidders, suppliers, contractors, sub-contractors and consultants to: (i) allow full inspection by the Fund of all bid documentation and related records; (ii) maintain all documents and records related to the bid or contract for three years after completion of the bid or contract; and (iii) cooperate with agents or representatives of the Fund carrying out an audit or investigation.

9. IFAD takes all possible actions to protect from reprisals individuals who, in good faith, report coercive, collusive, corrupt or fraudulent practices in its Programme or grant activities. The primary responsibility for enforcing the Anticorruption Policy lies with the Borrower, and the first defence for controls shall be exercised by Programme staff, Implementing Partners and Counterparts. Pursuant to this, the Borrower shall have the responsibility to incorporate pertinent provisions of the Anticorruption Policy in its contracts with Programme staff, cooperating/implementing partners, suppliers/consultants or any other third party entities. LIFE-ND will also have a central procurement facility with a regular third party audit to limit, misallocation of project resources. Given IFAD's zero tolerance described in the above paragraph, it is important that the Programme staff and all stakeholders of the Programme are familiar with IFAD's Anticorruption Policy as well as the national anticorruption policies and whistle blowing procedures.

10. **Project Financial Management Risk Assessment.** As required by IFAD Financial Management assessment guidelines, the summarised scoring at design is as shown in the table below.

Table 1: Risk assessment at design stage

Type of risk	Initial Risk Assessment	Proposed mitigation	Final Risk Assessment
Inherent Risk			
TI Index	28		High
Control Risks			
1. Organisation and staffing			
• No FM staff in place.	H	<ul style="list-style-type: none"> A qualified Financial Controller, Finance Officers and Project Accountants to be hired to the RPCO and SPCOs through a competitive procedure subject to IFAD non objection. All FM staff to receive training in IFAD FM procedures, policies and systems including IFAD anticorruption policy and whistleblowing mechanism. 	M
2. Budgeting			
• Budget approval, budget format and	H	<ul style="list-style-type: none"> The consolidated AWPB to be submitted for IFAD non-objection 2 months before the beginning of the fiscal year. Proper budget controls to be ensured in the 	M

Type of risk	Initial Risk Assessment	Proposed mitigation	Final Risk Assessment
budget controls not established.		accounting software.	
3. Funds flow and disbursement arrangements <ul style="list-style-type: none"> • Complex and possibly cumbersome flow of funds. 	H	<ul style="list-style-type: none"> • Separate designated accounts to be opened for each financing source in the Central Bank of Nigeria. Also separate Programme accounts for different financing sources will be opened at the state level. • Procedures for transferring funds to the state level to be well documented in the financial procedures manual. • Complete audit trail for each expenditure item to be properly disclosed in the Withdrawal Applications. • The FM capacity of the implementing partners to be assessed and MoU with the implementing partners to include clear disbursement triggers, reporting requirements and audit clauses. 	M
4. Internal controls <ul style="list-style-type: none"> • No programme specific financial procedures in place 	H	<ul style="list-style-type: none"> • A comprehensive financial procedures manual, is to be formulated as part of the start-up phase. 	M
5. Accounting systems, policies and procedures <ul style="list-style-type: none"> • No adequate accounting software in place 	H	<ul style="list-style-type: none"> • IPSAS cash accounting standards to be adopted. • A standalone accounting software is to be procured and customized to produce all IFAD forms and financial reports and to include proper budget controls. 	M
6. Reporting and monitoring <ul style="list-style-type: none"> • Financial report formats not in place. • Financial report formats required from the implementing partners need to be developed. 	H	<ul style="list-style-type: none"> • Reporting templates to be established and the Accounting system to be customized to produce these reports automatically by the RPCO and the SPCOs • RPCO to produce quarterly Interim consolidated Financial Statements and annual consolidated financial statements. 	M
7. Internal Audit <ul style="list-style-type: none"> • No proper IA function in place. 	H	<ul style="list-style-type: none"> • Internal Auditors to be hired at the RPCO and the SPCOs. • Audit methodology, reporting templates and reporting lines as deadlines to be well documented in a IA audit manual. 	M
8. External audit <ul style="list-style-type: none"> • No annual audit function in place. Private auditors need to be selected according to IFAD procedures to conduct annual audits. 	H	<ul style="list-style-type: none"> • RPCO to provide consolidated audit report including all the SPCOs and implementing partners • IFAD non objection required for the Audit TORs. • Auditor to be selected using QCBS approved long list and IFAD approved shortlist with 70% qualifying mark on quality. 	M

Type of risk	Initial Risk Assessment	Proposed mitigation	Final Risk Assessment
Fiduciary risk at design stage • As the RLCPO and the SPOs and their respective FM procedures are currently not in place the initial risk rating is assessed as high risk.	H	Mitigation actions listed above.	M

NB: H/M/L = High, medium and low risk as per the Guideline Note on undertaking Financial Management Assessment at design.

11. **Conclusion.** The initial risk rating is considered to be High. The final risk rating is expected to become medium after implementation of the mitigation actions during the first or second year of implementation.

B. Proposed financial management arrangements

12. **Proposed financial management arrangements.** The proposed FM-arrangements including staffing, budgeting, accounting, internal controls, flow of funds, financial reporting, and audit arrangements are summarized below and will be outlined in detail in the Project's Financial Procedures Manual.

13. **Staffing.** The project will recruit qualified FM staff through a transparent and competitive process. The RPCO will have a financial controller, two project accountants, and an internal auditor. Each SPCO is to have a finance officer, a project accountant, and an internal auditor. The financial controller, finance officers and project accountants will have a degree in accounting as well as past experience in project financial management. As part of the project start up, the FM staff will be trained in IFAD FM procedures and systems.

14. **Budgeting and budget control.** The FGN's fiscal year runs from 1st January to 31 December. Based on inputs from SPCOs and stakeholders, the RPCO will prepare a consolidated Annual Work Plan and Budget (AWPB) based on input from the SPCOs in a format acceptable to IFAD and submit it to IFAD for its non-objection at least two months before the beginning of the relevant fiscal year. As there will be no state specific allocation of the IFAD financing, the transfer of funds from the RPCO to the states, will be performance based and decided during implementation based on AWPB and their financial performance. The format of the AWPB will indicate at least the following: expenditure items by activity, by component, by expenditure category, and by implementing entity, physical indicators by activity as well as funding requirements by financier on a quarterly basis. In addition the AWPB will contain a detailed list of any staff hired by the project and their salary scale. Any incurred expenditures as part of the project will have to be part of the approved AWPB to be considered eligible for IFAD financing.

15. **Accounting.** Although FGN is making efforts in adopting IPSAS accrual basis, due to capacity limitations, it is expected that the project will record its transactions in accordance with IPSAS cash basis of accounting. A standalone accounting software (e.g. flexible accounting) will be procured during the start-up phase and installed in the RPCO and the SPCOs. The accounting software will be customized to produce all IFAD reports and Withdrawal application forms automatically. Software that currently satisfy IFAD's requirements in the country include Flexible Accounting which is also being used by two ongoing IFAD programmes VCDP and CASP. The accounting software will include a budget module with proper budget controls, accounting module, financial reporting module, procurement module, fixed asset register etc. and will be customized to automatically produce all necessary reports and IFAD withdrawal application forms.

16. **Internal controls.** In order to ensure: (a) efficiency; (b) reliability of financial reports; and (c) compliance with applicable laws and regulations including the conditions set forth in the financing agreement, the RPCO and the SPCOs will ensure that adequate internal controls including:

- Adequate policies and procedures including a financial procedures manual, and accounting manual which are to be revised once a year;
- Sufficient segregation of duties;
- Monitoring of fixed assets including tagging of all assets, maintaining of a fixed asset register and annual inventory exercises;
- Periodic monitoring and review including comparison of physical and financial progress;
- Proper authorization and access levels are maintained through the project parties;
- All project sites are clearly identified and mapped including GPS-coordinates (as appropriate) to facilitate supervision and that this information is shared with other donors supervising projects in the same sector;
- All trainings will be duly documented including a list of participators.
- All distributed goods, agricultural inputs etc., reconciled against procured goods and supported by distribution lists of sufficient detail.
- All implementing partners FM-capacity will be properly assessed before the awarding of the contract and their financial performance will be continuously assessed.

17. **Flow of funds.** Separate Designated Account will be opened for the IFAD loan in the Central Bank of Nigeria in USD and will not be mingled with other funds. In order to allow the FGN to monitor the income of funds the DA will be a sub account under the FGN treasury single account (TSA). From the Designated account the funds will flow to the project loan account (project account A) in naira. The federal counterpart funds will be deposited in a separate federal counterpart fund account. The RPCO will be authorized to manage both the DA and the federal counterpart account. Each state will open two accounts in NGN: i) a state project account (project account B) to receive IFAD loan funds from the project account A, and ii) a state counterpart fund account to receive state counterpart funds. The SPCOs will be authorized to manage the project account B, and the state counterpart fund account.

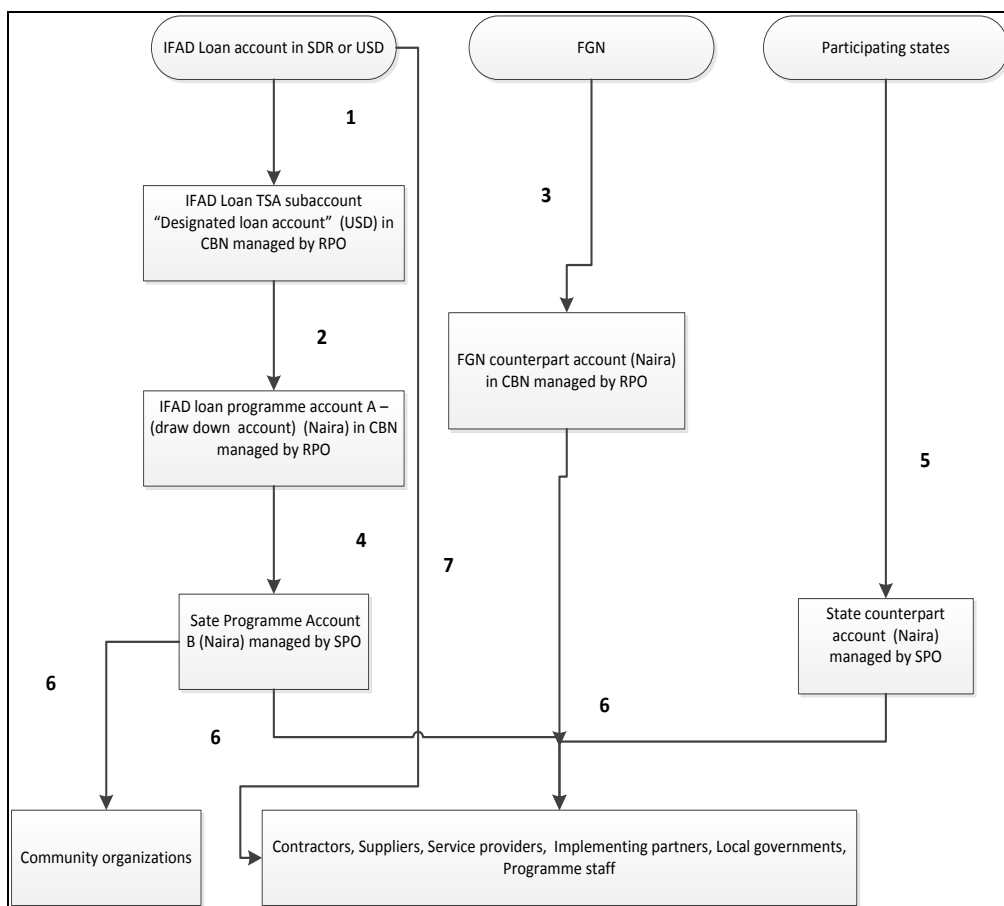


Chart 1: Proposed flow of funds

- 1: RPCO prepares separate Withdrawal Applications according to IFAD disbursement procedures for the IFAD loan, - and submits the WAs to IFAD as soon as the minimum WAs thresholds have been reached (30% of the AA or once a quarter). All WAs must be approved by the Authorized Signatories as determined by MoF. IFAD disburses the funds in US\$ to the Designated account in CBN.
- 2: RPO will transfer the funds to the "project account A" in NGN.
- 3: FGN will deposit counterpart financing in a separate account "federal counterpart account".
- 4: The RPCO will transfer funds to the SPCO "project account B" based on AWPBs and duly authorized disbursements request with all necessary supporting documentation attached. SPCO will justify the advances on a quarterly basis by submitting SOEs and original supporting documentation to the RPO as required by IFAD disbursement procedures.
- 5: Participating states will deposit counterpart financing in a separate "state counterpart fund account".
- 6: The RPCO and the SPCO will pay/transfer funds to contractors, service providers and suppliers, community organizations etc as part of the project activities and transfer the funds in accordance with the relevant agreements.
- 7: In case the payment exceeds US\$ 100 000, The RPCO may request IFAD to pay directly to the contractor, supplier, service provider or implementing partner using the Direct Payment method.

18. **Transfers to community organizations.** The project is to transfer funds to community organizations to implement selected activities under the project. The FM arrangements related to the community organizations is expected to be as follows:

- i. The RPCO/SPCO will send out a call of interest outlining the eligibility criteria.
- ii. All interested community organizations will submit a proposal to the RPCO/SPCO.
- iii. The RPCO/SPCO will conduct a due diligence check of the community organization including the financial management capacity.
- iv. Subject to IFAD non objection, the RPCO/SPCO will enter into a tripartite agreement contract with the selected community organization and the incubator
- v. The performance milestones, criteria for measurement and the triggers for disbursement will be clearly specified in the contract/MoU. In addition, the contract/MoU will specify the reporting requirements and the associated timelines. All payments to the community organization will be made against a duly certified disbursement request, business plan and other supporting documentation as defined in the disbursement schedule of the agreement. The payment request will be reviewed by the technical officer in the RPCO/SPCO ensure that the performance milestones have been reached. Subject to the technical officers clearance the payment is prepared by the State Finance Officer and approved by the State Project Coordinator.
- vi. Once the payment is approved, the funds are transferred to the community organizations and duly recorded in the RPCO/SPCO accounting software. All contracts/agreements with the community organizations will include a provision requiring them to permit: i) IFAD and the project internal auditors to inspect their accounts, records or other documents as part of the supervision missions, ii) to have them audited by the project auditors as part of the annual project audit exercise and iii) promptly refund any ineligible expenditures or unused funds to the SPCO/RPCO.

19. **Financial Reporting.** The SPCO will produce periodic financial reports in an agreed standard format and submit these to the RPCO. The RPCO will produce its own financial reports and consolidate all the financial reports for the whole project. The RPCO will provide IFAD with consolidated financial reports prepared in compliance with International Accounting Standards (IPSAS cash) and IFAD requirements within agreed timeframes as follows:

- Quarterly consolidated interim financial reports (IFRs).
- Annual consolidated Financial Statements within four months after the end of the fiscal year.
- Annual consolidated audit report and a management letter within six months after the end of the borrower's fiscal year.

20. All of the financial reports outlined above will include at least the following reports: i) sources and uses of funds by financier ii) incurred expenditures by component and financier, iii) Actual expenditures vs budgeted expenditures by financier by component, iv) designated account reconciliations, v) Statement of Expenditures - Withdrawal Application Statement, vi) a fixed asset register. In the notes of the financial reports, the following additional information will be disclosed: a)

Sources and uses of funds by state, b) beneficiary contributions and c) implementing partner report disclosing expenditures incurred by the different implementing partners and any advances still unjustified.

21. **Internal audit.** Internal Audit will have an integral function in FM arrangements of the project. As a result there will be an IA function in the RPCO and in every SPCO. The internal auditing function shall ensure the orderly and efficient conduct of operations including, among others, the adherence to project management policies, rules and regulations, safeguarding of project assets, prevention and detection of errors and irregularities and promoting the accuracy and reliability of the accounting records.

22. The internal auditor in the RPCO will ensure that the following internal audit cycle is followed at the SPCO level:

- An audit work plan is produced two months before each calendar year.
- Checks are performed according to the audit work plan. Methodology: document review, interviews with RCPO/SPCO staff and field visits.
- Past years audit recommendations are followed up on
- Quarterly reports are produced and the draft report is shared with management for comments
- Finalize the report – quarterly audit reports to be shared with RPCO and IFAD within 4 weeks after the end of each quarter. The RPCO IA will then consolidate the IA reports and submit them to IFAD within 8 weeks after each quarter.

23. **External audit.** The RPCO will appoint an independent private audit firm, procured in accordance with the method and criteria set forth in IFAD's Guidelines on Project Audits (for Borrower's Use). The auditors will be required to audit the consolidated financial statements of the entire project for each fiscal year in accordance with International Standards on Auditing (ISA). The terms of reference for the audit will be agreed with IFAD on annual basis. The auditor will be required to issue a separate opinion on i) the project financial statements, ii) SOE-WA statement including the adequacy of supporting documentation, iii) operation of the designated account, iv) compliance with loan covenants and v) compliance with procurement. The auditors will also prepare a Management Letter giving observations and comments on the internal control systems of the RPCO, the SPCOs, and providing recommendations for improvements in accounting, records management, systems, controls, compliance with financial covenants in the Financing Agreement and compliance with previous year's auditors' recommendations. The audit report, including the management letter covering the audit observations on internal controls, will be submitted to IFAD within six months of the end of the fiscal year. The appointment of the auditor shall be for a maximum period of 3 years, subject to satisfactory performance.

24. **Records management.** The RPCO will maintain adequate filing and ensure proper back up of all project records. In accordance with IFAD General Conditions, the borrower has to maintain the original records for a minimum of 10 years after the project completion.

C. IFAD disbursement procedures

25. The IFAD financing shall be disbursed against duly certified withdrawal applications in accordance with the IFAD disbursement procedures.

26. **IFAD disbursement procedures.** In accordance with the IFAD disbursement procedures between the date of entry into force of the Financing Agreement and the Financing Closing Date, the RPCO may request withdrawals from the Loan Account and/or Grant Accounts of amounts paid or to be paid for eligible expenditures. Accordingly four standard disbursement procedures may be used for withdrawal of financing:

- Advance withdrawal;
- Direct payment;
- Special commitment;
- Reimbursement.

27. **Authorized allocation of the Designated Account.** The Designated Accounts for the IFAD financing will be operated and replenished following the Imprest Account arrangements. After the IFAD financing has entered into force and the conditions for first disbursement have been duly

complied with and upon request by the borrower, IFAD will make an initial deposit to the Designated Accounts equal to the requirements of eight months implementation (Authorized Allocation). The authorized allocation will be outlined in the Letter to the Borrower and is expected to be as follows:

- US\$ 6 million under the IFAD loan with an initial allocation of US\$ 3 million until the project has incurred a cumulative expenditures of US\$ 2 million
- US\$ 250 000 under the IFAD grant

28. **Start-up funds.** The project is estimated to receive US\$ 500 000 from the loan to incur expenditures related to the project start up before the satisfaction of the conditions precedent to withdrawal, The start-up funds will be used to for: i) recruitment of the key staff, ii) finalizing the project implementation manual including the financial procedures, accounting and procurement manual, iii) preparation of the first AWPB and procurement plan, iv) organization of a start-up workshop, v) procure, install and fine tune the accounting software, vi) finalization of the Agreement/MoUs templates with the implementing partners.

29. **Conditions for first withdrawal.** The following conditions related to financial management are to be met before the first withdrawal can be realized:

- IFAD has received from the Minister of Finance, – a letter designating the name(s) of official(s) authorized to sign withdrawal applications, which includes their authenticated specimen signature(s);
- IFAD has received documentation evidencing the opening of (i) treasury subaccounts designated to receive IFAD Loan and grant proceeds; and (ii) the project account A and B to be managed by the RPCO with advice of the persons/titles authorized to operate these accounts;
- Key Staff including the RPCO coordinator, Financial Controller, the project accountant, and the procurement specialist have been duly appointed;
- A project Implementation Manual including the Financial Administration and Accounting manual, has been approved by IFAD;
- The IFAD no-objection on the first AWPB and procurement plan for the first 18 months of the Programme has been obtained.

30. Notwithstanding the above, no transfers can be made to the states until each state has:

- Opened the project account C and submitted to RPCO and IFAD the advice of the persons/titles authorized to operate these accounts;
- Hired key staff including the SPCO coordinator and Finance officer and the Accountant.
- Entered into sub agreements with FGN regarding the project and these have been submitted to IFAD.

31. **Withdrawal applications.** The RPCO will compile and consolidate, on a timely basis, eligible project expenditures for activities. From these expenditures the RPCO will prepare withdrawal applications (WAs) for eligible project expenditures for submission to IFAD for reimbursement or replenishment. All WAs will be signed by the authorized signatories.

32. **Minimum withdrawal amounts.** In order to minimize transaction costs, the minimum withdrawal amounts are set as follows:

- Withdrawal Applications requesting replenishments of the Designated Account should at least cover a minimum amount of thirty per cent (30%) of the initial advance.
- Direct Payment method should only be used for payments of US\$ 100,000 and above while expenditures below US\$ 100,000 should be financed from the Designated Account if possible and claimed through the replenishment of the Designated Account.

33. **Statement of Expenditure (SOE).** The SOE thresholds shall be determined in the light of the associated risk for each expenditure category and will be duly documented in the Letter to the Borrower. The initial estimate is that the SOE threshold will be US\$ 100,000 for all expenditure items under all categories. The project will retain the relevant support documents and make them readily available for inspection and review by supervision missions and the auditors. These thresholds may be revised from time to time based on project performance and risk assessment.

D. Supervision, Implementation Support and Implementation Readiness

34. **Project supervision.** The project will be directly supervised by IFAD. Supervision will not be conducted as a general inspection or evaluation, but rather as an opportunity to assess achievements and lessons jointly, and to reflect on ways to improve implementation and impact. It is important to highlight that the decentralized nature of the project poses challenges to the supervision process; Instead of supervising an FM unit in one location, financial activities are spread across the RPCO and several SPCOs located far away from each other. To mitigate the challenge of decentralization, and reduce the associated transaction cost, the following measures will be implemented: i) centralizing the project audit function (i.e. one auditor hired at the federal level to audit the whole project), ii) centralization of the flow of funds (i.e. one designated account at federal level), iii) providing regular and centralized FM-training and implementation support to project staff, iv) introducing quarterly interim financial reporting at state level and consolidated reports at federal level as well as v) requiring all state level SPCOs to submit all supporting documentation (regardless of the SOE thresholds) to the RPCO to facilitate inspection. In addition, risk based field visits are being piloted to ensure the limited resources are focused on the high risk states with weaker FM capacity.

35. **Supervision and implementation support plan.** A financial management specialist will participate in missions annually to supervise and provide implementation support to the project and follow up the fiduciary risk at various levels including the use of the SOE. In light of the risk assessment residual (initial High FM risk), in the first two years of implementation the supervision plan of the project will especially focus on the following actions:

- At least two on-site visits that will involve visits to the implementing partners (if any) and conducting/updating the FM assessment and conducting an FMA assessment of the implementing partners;
- Detailed review of adequacy of the staffing arrangements at the FM unit of the RPCO, including the TOR's and performance of the financial staff and training needs identification;
- Detailed review of the project financial management and accounting procedures in use;
- Detailed review of the accounting software and financial reports produced by the accounting software and the use of budget controls;
- Review of overall flow of funds (and resolving any bottlenecks) and a detailed review of the operation of the designated and project accounts (including monthly reconciliations).
- Detailed review of the fixed asset register and verification of a) inventory reports and b) assets through spot checks;
- Detailed review of the use of the Statement of Expenditure (SOE) procedure and the adequacy of supporting documentation for all expenditure items incurred by the RPCO, SPCOs and by the implementing partners;
- Detailed review of records management, filing and information back up
- Follow-up on contracting the project (independent) external auditors and the ToRs;
- Follow-up on work performed by the internal audit function.

36. The supervision process will be complemented by desk review of progress and financial reports, the project's annual financial statements, internal audit reports, and annual audits.

Table 2: List of key tasks for implementation readiness

Action	By Whom	When	Conditionality
Agree on the Start-up funds (if any)	IFAD and the Borrower	As part of design	Negotiations
Project implementation manual, financial procedures manual, and procurement manual duly updated	IFAD & RPCO	Start up	Start Up and disbursement condition.
Opening of Designated Account, and operational account	Borrower/ RPCO	Start up	Disbursement condition
Format of the quarterly/semi-annual financial reports and Annual Financial Statements to be agreed.	IFAD & RPCO	Start up	N/A

Action	By Whom	When	Conditionality
Finalise project draft LTB	IFAD	As part of design	Negotiations
Prepare first AWPB & procurement plan.	RPCO	By start-up	Disbursement condition
Appointment of auditor under ToR and conditions acceptable to IFAD	RPCO	Not later than 3 months after entry into force	Financing agreement schedule 3
Procure the accounting software	RPCO and SPCO	Start up	N/A
Agree on the scope of work and the ToRs of the internal auditor as well as report format	RPCO,SPCO & IFAD	Start up	N/A
Agree on FM covenants to be included in the Agreement/MoUs with implementing partners	RPCO&IFAD	Start-up	N/A

Appendix 8: Procurement

I. Introduction

1. The IFAD procurement guidelines and handbook require an assessment of national procurement systems as part of the project design process. This is done in order to determine the extent to which country systems are in alignment with international best practice, and can be relied upon during project implementation. IFAD's General Conditions provide for the use of the Borrower's procurement regulations to the extent that they are consistent with IFAD's procurement guidelines. This is in line with the commitments of the international donor community to work towards increasingly using national systems where partner countries either have public financial management (PFM) systems that are in line with broadly accepted good practices or have credible reform programmes in place to establish reliable PFM systems.
2. Accordingly this appendix consists of two interrelated sections: (i) an overarching country assessment; and (ii) recommendations as to project-level procurement processes to be followed during implementation.

II. Overarching Country Assessment:

3. The latest comprehensive assessment of the Public procurement system in Nigeria was carried out by the World Bank in the year 2000⁴⁷. The assessment concluded that there were serious weaknesses in the procurement system including a lack of appropriate legislation, shortage of basic skills and inadequate organisation.
4. Indeed, at the time of the Country Procurement Assessment Report (CPAR), there were no specific laws specifically governing public procurement. The regulatory environment lacked systematic and permanent measures for the effective surveillance and control of public procurement actions. A lack of detailed rules for application of procurement methods led to an abuse of single sourcing and direct contract negotiation. Highly onerous eligibility requirements for contractor/suppliers further curtailed competition. The lack of guidelines for contract amendments opened up the doors to poor contract management and corruption leading to unnecessary contract extensions and expenditures. The lack of regulations for the formalised treatment of complaints lodged by suppliers/contractors in response to procurement decisions meant that rights of suppliers and contractors were only protected by the goodwill of the government in power at any given time⁴⁸. In summary, the public procurement system at the time was considered seriously weak, and unable to meet its goals of competition, transparency, integrity, best value and efficiency⁴⁹.
5. The Federal Government of Nigeria (FGN) has made significant strides in reforming the public procurement regime since the CPAR. As soon as 2001, a dedicated unit was set up⁵⁰ to implement the Federal Government's Public Procurement Reform Policy aimed at minimizing openings for abuse to known rules, processes and standards in the award and execution of public sector contracts. In 2003/04 a Public Procurement Act was articulated and presented to the National Assembly. The Public Procurement Act was thereafter passed by the National Assembly on the 30th of May, 2007 and subsequently signed into Law by the President on the 4th of June, 2007⁵¹.
6. Public Procurement in Nigeria is governed by the Public Procurement Act (2007) which defines the responsibilities, principles and processes applicable in the public procurement of works, goods and services in Nigeria. The Act established the Public Procurement Board (PPB) with a role

⁴⁷ World Bank - Country Procurement Assessment Report (CPAR), 30 June, 2000

⁴⁸ Williams-Elegbe, 2010

⁴⁹ World Bank, 2000

⁵⁰ Budget Monitoring and Price Intelligence Unit (BMPIU a.k.a Due Process)

⁵¹ Bureau of Public Procurement, 2017

to supervise the established laws and policies, and report to the National Council on Public Procurement, comprised of high level government officials, representatives of professional associations and technical experts.

7. While the reforms in the Nigerian Public Procurement Regime over the last 15 years have largely responded to the deficiencies identified by the Bank. The lessons learned from IFADs country programme's implementation over the last few years appear to emphasize that capacity of procurement officials remains a major challenge. Lack of capacity in many cases constrains the ability of procuring entities to properly follow procurement and contract management rules and thereby obtain the desired outcome from a procurement procedure.
8. Specifically, several issues have been recurrently highlighted by IFAD supervision missions including a combination of: (i) ineffective procurement planning; (ii) ineffective bid evaluation procedures; (iii) weak contract management, and (iv) poor record keeping. Experience has shown that the incidence of such weaknesses can be mitigated by intense implementation support and close and continuous supervision.

III. LIFE Specific Project-level recommendations:

9. LIFE will adopt a hybrid approach to procurement which combines all PPA requirements as well as additional IFAD requirements; such to ensure that project procurement is carried out in accordance with best practice. IFAD with FMARD plans to establish a national level PMU for all projects and it is further intended that this PMU will employ independent professional procurement staff who will be audited regularly. Detailed procurement processes and responsibilities will be further elaborated in the Project Implementation Manual to be prepared during the start-up phase of project implementation. The following paragraphs identify the key additional IFAD requirements to the PPA which will apply for LIFE:
 10. **Procurement Planning**⁵²: In addition to the requirements under sections 16 (b) and 19 of the PPA, procurement plans in a format acceptable to IFAD will be submitted annually to the various steering committees (from state level to national level) and then to IFAD for final No Objection. Procurement Plans will form an integral part of the Annual Work Plan and Budget (AWPB). Any revisions to the Procurement Plan will require No Objection by IFAD and the steering committees prior to becoming effective.
 11. At the end of each year of project implementation a new 12-month procurement plan⁵³ should be prepared by each State Office and included as part of the State's AWPB. By 30 September of each year, State-level procurement plans will be submitted to the RPCO for consolidation. Following this the RPCO will be required to submit the same to IFAD by 31 October to IFAD for No Objection.
 12. All procurement will be carried out in strict accordance with the approved procurement plan, whereas any procurement actions inconsistent with the approved procurement plan will be considered as mis-procurements and related expenditures ineligible. At a minimum, annual procurement plans will include all goods, services and works to be procured during the year, units required and unit costs, prior/ex-post review requirements (both internal and with IFAD), procurement methods, and target dates for each key procurement activity.
13. **Packaging of Procurements**: With a view to increase efficiency of procurement, all of LIFE's NCB and ICB procurements will be carried out and managed centrally by the RLPCO. Local shopping may be carried out at the State level in cases where bulking opportunities at the regional level are not practicable. In this regard, efforts should be made by the RLPCO's Procurement Specialist to ensure the most ideal packaging of procurement is obtained in the consolidated procurement plan. Splitting of contracts to circumvent set thresholds should be strictly and

⁵² A draft first 18-month procurement plan is attached to this appendix.

⁵³ The first procurement plan will cover a period of 18 months.

explicitly avoided. Thresholds that will determine the applicable procurement methods are detailed below.

- 14. Adoption of BPP's Standard Bidding Documents (SBDs):** Following a preliminary review, the SBDs developed by the BPP, were found to be consistent with best practice. Currently, ongoing projects in the Nigerian portfolio have been using the SBDs developed by the World Bank. For LIFE, in an effort to increase the use of (and thereby strengthen) country systems, the SBDs developed by the BPP will be used. The only exception will apply for procurements that follow International Competitive Bidding (ICB) procedures, where World Bank SBDs will continue to be used. During project start-up, minor modifications and revisions will be required to BPP's SBDs to adapt them to IFAD-financed projects. Likewise, during start-up, on-the-job training will be provided to IFAD-LIFE management by PPB and/or IFAD for the implementation of these documents.
- 15. Contract Administration:** In addition to the provisions under the PPA (Section 19.16) for contract management, improved systems and tools will be used to facilitate effective monitoring of contractual obligations and invoking necessary actions such as penalty clauses in cases of failure on the part of the contractor/supplier to uphold contractual obligations. In this regard, comprehensive contract registers will be maintained and shared with IFAD periodically. Contract monitoring forms will be used to strengthen the monitoring of milestone-based contracts requiring more than one payment. Updated versions of these documents will be made available to IFAD on a quarterly basis and form an integral part of project progress reporting (as described below). As part of start-up activities contract administration training will be provided to the entire LIFE project management team.
- 16. Evaluation:** Each bid/proposal will be evaluated as provided for in the tender documents. An ad-hoc tender board will be appointed by designated personnel in consultation with the procurement specialist and the subject-matter specialist. The tender board members will be formally appointed by the RPCO, or designate, and will be required to sign a confidentiality agreement as well as an affidavit indicating that they are not in a position of conflict of interest. The selection and appointment of members of the tender board will consider technical expertise requirements to ensure the required mix of skills is available for specialised evaluations.
- 17. Reporting Requirements for Procurement:** The Programme Coordinators and Procurement Officers shall maintain all procurement information, from planning to contract awards and subsequent performance of contracts. As procurement plans can change quite often, either by delay or advance procurement with consequent effect on programme implementation, the RPCO and the SPCOs will be required to closely monitor the progress of procurement actions against plans. Quarterly procurement reports (QPRs) will be submitted to IFAD for information within 15 days following the end of the quarter. At a minimum, the QPRs will include the following information:
 - Updated Procurement Plan;
 - Updated Contract Register;
 - Open Contract Monitoring Forms;
 - Narrative explaining significant variances between actual and planned implementation
- 18. Review of Procurement Decisions by IFAD and Procurement Methods:** The BPP provides the approved thresholds for service wide application. LIFE will comply fully with internal approval procedures. The table below presents the recommended procurement methods and thresholds that will initially be applicable for the IFAD financed LIFE. These thresholds will be finalised and formally communicated to the Government through the Letter to the Borrower (LtB), upon entry into force of the loan. During implementation, they may be unilaterally reviewed (raised or lowered) by IFAD. Where there is disagreement between BPP's provisions and those in the LtB, the latter shall supersede the former. All contracts regardless of value will be subject to IFAD's ex-post review.

	Procurement Type	Value of Procurement (USD equivalent)	Procurement Method	IFAD Prior review thresholds
1	Works	More than or equal to 500,000	ICB	<ul style="list-style-type: none"> All contracts above USD 50,000 equivalent All Direct Contracts
		equal to or less than 499,999 and more than 100,000	NCB	
		less than or equal to 99,999	NS	
		only in exceptional cases where sufficient justification is provided	Direct Contracting	
2	Goods	More than or equal to 500,000	ICB	<ul style="list-style-type: none"> All contracts above USD 20,000 equivalent All Direct Contracts
		Less than 500,000 and more than 100,000	NCB	
		less than or equal to 100,000	NS	
		Only in exceptional cases where sufficient justification is provided	Direct Contracting	
3	Services (Consultancy and Non Consultancy)*	More than or equal to 70,000	International RFP	<ul style="list-style-type: none"> All contracts above USD 10,000 All Single Sourced Service contracts
		less than 70,000	National RFP	
		Only in exceptional cases where sufficient justification is provided.	SSS	
*The default selection method will be QCBS				
4	Trainings, Workshops and Study-Tours	Trainings/Workshops are not procurement items as they are, but rather management issues. This may involve Services Procurement if hiring of a trainer is involved, it may involve the procurement of Goods if they buy training materials, it can be Non-consultancy Services Procurement if they rent a venue.	N/A	<ul style="list-style-type: none"> All training with aggregate values above USD 20,000 All international trainings
5	Community-led Procurement	N/A	N/A	<ul style="list-style-type: none"> All Contracts above USD 5,000

Appendix 9: Project cost and financing

A. Assumptions

1. LIFE-ND will comprise of two phases, each with a duration of six years. Implementation is foreseen to commence in 2018 upon approval of the financing by IFAD's Executive Board in December 2017.
2. The cost tables account for IFAD's and FGN's intention to set aside and/or mobilise an additional US\$ 30 million, from either a subsequent PBAS cycle⁵⁴ or through co-financing, to fund activities during the second phase (2024 – 2029). The specific activities that will be financed during Phase 2 will be a replication and up-scaling of those Phase 1 activities that will have demonstrated sustainable results.
3. Unit costs have been estimated on the basis of prices prevailing at the time of the first design mission fielded in March 2017. Documentation from on-going projects (RUFIN, VCDP, CASP) were consulted to ground-truth cost estimates. Given the prevailing volatility of the Nigerian Naira (NGN) on the foreign exchange market (having lost half its value in the last 4 years), the input currency used for these cost tables is the US\$. Costs are also expressed in NGN at the current exchange rate of US\$ 1:NGN 305 - applied throughout the project life.
4. Local Inflation in Nigeria today stands between 16 and 18 per cent⁵⁵. Price contingencies have been calculated based on a constant: (i) local inflation rate of 11.5% (ten year average); and (ii) two per cent foreign inflation rate, based on the World Bank's Manufactures Unit Value (MUV) Index⁵⁶.
5. Taxes and duties were estimated using information made publicly available by the Federal Inland Revenue Service of Nigeria⁵⁷. All goods and services are subject to five per cent value added tax, Imported vehicles carry a 70 per cent import duty.
6. For the following expenditure categories, a five per cent physical contingency has been added to cost allocations under the following expenditure categories: (i) Civil Works, (ii) Equipment and Material; (iii) Training; and (iv) Operating Costs.
7. It is estimated that 50 per cent of expenditures under categories: Civil Works; Vehicles and Motorcycles; Consultancies; and Equipment and Material, will be made in foreign currency (i.e. for imported goods and services).

B. Project costs

II. Programme Costs

8. Total programme costs to be incurred during the 12-year implementation period, including price and physical contingencies, duties and taxes, are estimated at US\$ 130.015 million. Base costs amount to US\$ 121.747 million. Estimated physical contingencies amount to US\$ 1.805 million; price contingencies are estimated at US\$ 6.463 million. The estimated foreign exchange element of project costs is US\$ 19.795 million representing approximately 15 per cent of total project costs. Duties and taxes are equivalent to US\$ 3.057 million (two per cent of total project costs). Investment costs US\$ 111.587 million - account for 86 per cent of base costs; total

⁵⁴ Financing terms to be determined and subject to IFAD's internal Procedures and Executive Board Approval

⁵⁵ Central Bank of Nigeria, 2017

⁵⁶ World Bank, 2017 – MUV is a Measure of the price of developing country imports of manufactures in U.S. dollar terms.

⁵⁷ <http://www.firs.gov.ng>

recurrent costs are estimated at US\$ 10.161 million. Programme coordination and Management (Component 2) costs amount to US\$ 21.508 million, representing 16 per cent of total project costs.

9. Total Project Costs by component is shown in tables 1 and 2 below:

Table 1: Programme Cost Summary by Component/Year (USD)

Federal Republic of Nigeria Livelihood Improvement Family Enterprises in the Niger Delta (LIFE-ND) Project Components by Year -- Base Costs (US\$ '000)													
Base Cost													
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total
A. Component 1: Enhancement of economic opportunities for rural youth													
1. Sub-Component 1.1: Support to Rural Agribusiness Incubation	1 956	2 051	9 223	9 568	8 677	8 561	546	710	3 161	3 440	2 956	2 956	53 804
2. Sub-Component 1.2: Production and marketing infrastructure support to agribusinesses	-	8 827	8 504	8 504	1 124	837	-	2 843	2 723	2 723	323	323	36 730
3. Sub-Component 1.3: Financial inclusion support for agri-enterprises	575	699	675	675	699	675	175	222	210	210	222	210	5 247
4. Sub-Component 1.4: Rural Institution Strengthening	423	919	794	714	687	687	136	288	230	255	230	223	5 586
Subtotal	2 954	12 495	19 196	19 461	11 186	10 759	857	4 063	6 324	6 628	3 731	3 713	101 367
B. Component 2: Project management and coordination													
Total BASELINE COSTS	3 828	1 924	1 934	2 151	1 934	2 424	1 522	913	913	913	913	1 013	20 380
Physical Contingencies	6 781	14 419	21 130	21 612	13 120	13 183	2 379	4 977	7 237	7 541	4 644	4 726	121 747
Price Contingencies	33	291	337	344	98	97	16	147	170	170	51	50	1 805
Inflation													
Local	156	1 457	2 765	4 057	2 392	3 027	1 116	2 911	4 081	4 770	3 121	3 702	33 556
Foreign	12	102	164	230	44	83	63	273	297	326	59	78	1 730
Subtotal Inflation	168	1 559	2 929	4 287	2 437	3 110	1 179	3 184	4 378	5 096	3 180	3 780	35 285
Devaluation	-127	-1 196	-2 289	-3 389	-2 019	-2 574	-955	-2 507	-3 545	-4 174	-2 757	-3 291	-28 822
Subtotal Price Contingencies	41	364	639	898	417	536	224	677	833	922	423	489	6 463
Total PROJECT COSTS	6 855	15 074	22 106	22 854	13 635	13 815	2 619	5 800	8 240	8 633	5 118	5 265	130 015
Taxes	184	426	470	476	189	218	91	243	267	266	110	118	3 057
Foreign Exchange	1 173	3 473	3 390	3 427	520	804	520	1 978	1 914	1 898	314	383	19 795

Table 2: Programme Cost Summary by Component/Expenditure Account (USD)

Federal Republic of Nigeria Livelihood Improvement Family Enterprises in the Niger Delta (LIFE-ND) Expenditure Accounts by Components - Totals Including Contingencies (US\$ '000)							
Component 1: Enhancement of economic opportunities for rural youth							
	Sub-Component 1.1: Support to Rural Agribusiness Incubation	Sub-Component 1.2: Production and marketing infrastructure support to agribusinesses	Sub-Component 1.3: Financial inclusion support for agri-enterprises	Sub-Component 1.4: Rural Institution Strengthening	Component 2: Project management and coordination	Total	
I. Investment Costs							
A. Inputs	-	-	-	-	-	-	-
B. Civil Works	-	38 328	-	-	-	-	38 328
C. Vehicles and Motorcycles	-	-	-	-	2 588	-	2 588
D. Consultancies	2 314	3 023	587	707	1 894	-	8 524
E. Credit and Subsidies	43 321	-	-	-	-	-	43 321
F. Equipment and Materials	-	-	-	-	711	-	711
G. Training	8 129	-	84	2 718	105	-	11 035
H. Workshops	-	-	5 080	2 751	4 199	-	12 030
I. Unallocated Investment Costs	-	-	-	-	3 010	-	3 010
Total Investment Costs	53 783	41 351	5 750	6 178	12 508	-	119 546
II. Recurrent Costs							
A. Salaries and Allowances /a	1 467	-	-	-	7 330	-	8 797
B. Operating Costs	-	-	-	-	1 672	-	1 672
C. Unallocated Recurrent Costs	-	-	-	-	-	-	-
Total Recurrent Costs	1 467	-	-	-	9 002	-	10 469
Total PROJECT COSTS	55 230	41 351	5 750	6 178	21 508	-	130 015
Taxes	522	1 544	208	229	553	-	3 057
Foreign Exchange	1 157	15 445	293	354	2 548	-	19 795

/a Staff Salaries paid by the FGN and State Governments - IFAD loan to finance allowances

C. Project financing

10. LIFE-ND will be financed by: (i) the Federal Government of Nigeria, (ii) the six participating State governments, (iii) The Niger Delta Development Corporation (NDDC), and (iv) IFAD. The Federal Government will provide financing in foregone tax revenue and through payment of salaries of RPCO staff. State governments will finance salaries for all SPCO staff. Moreover, State governments will aggregately make 30,000 ha available to the project (not monetised) and will contribute to 50 percent of the cost of land preparation on the 6,000 ha earmarked for incubators. The NDDC will provide US\$ 30 million in parallel co-financing to replicate LIFE-ND in the three states not covered by IFAD financing. IFAD will provide a US\$ 60 million loan for the first phase, and anticipates a further US\$ 32 million for a second phase depending on performance, allocation and co-financing. The tables that follow show the financing plan by (i) component, and (ii) by expenditure account.
11. IFAD financing for the first phase (2018 – 2024) will provided as a US\$ 60 million loan subject to (i) interest on the principal amount outstanding at a fixed rate of 1.25 per cent; (ii) a maturity period of twenty five (25) years; (iii) a grace period of five years; and (iv) a service charge of 0.75 per cent incurred by the Borrower as of the date of approval by the Executive Board. A further US\$ 30 million in financing will be allocated by IFAD for the second phase (2025 – 2029). The financing terms and conditions for the second phase will be subject to IFAD's internal procedures and approval by its Executive Board. The financing plan by component is Disbursement Account is presented in tables 3 and 4 below:

Table 3: Programme Financing Plan by Component (US\$'000)

Federal Republic of Nigeria Livelihood Improvement Family Enterprises in the Niger Delta (LIFE-ND) Components by Financiers (US\$ '000)															
	IFAD Loan 1		IFAD Loan 2		NDDC		Federal Government		State Governments		Total		For. Exch.	Local (Excl. Taxes)	Duties & Taxes
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%			
A. Component 1: Enhancement of economic opportunities for rural youth															
1. Sub-Component 1.1: Support to Rural Agribusiness Incubation	27 874	50.5	14 339	26.0	12 496	22.6	522	0.9	-	-	55 230	42.5	1 157	53 551	522
2. Sub-Component 1.2: Production and marketing infrastructure support to agribusinesses	17 201	41.6	9 886	23.4	10 462	25.3	1 544	3.7	2 458	5.9	41 351	31.8	15 445	24 362	1 544
3. Sub-Component 1.3: Financial inclusion support for agri-enterprises	2 526	43.9	1 422	24.7	1 594	27.7	208	3.6	-	-	5 750	4.4	293	5 249	208
4. Sub-Component 1.4: Rural Institution Strengthening	2 784	45.1	1 569	25.4	1 594	25.8	229	3.7	-	-	6 176	4.8	354	5 593	229
Subtotal	50 384	46.4	27 016	24.9	26 146	24.1	2 503	2.3	2 458	2.3	108 507	83.5	17 248	88 756	2 503
B. Component 2: Project management and coordination	9 616	44.7	5 066	23.6	3 854	17.9	553	2.6	2 419	11.2	21 508	16.5	2 546	18 408	553
Total PROJECT COSTS	60 000	46.1	32 081	24.7	30 000	23.1	3 057	2.4	4 877	3.8	130 015	100.0	19 795	107 163	3 057

Table 4: Programme Financing Plan by Disbursement Account (US\$'000)

Federal Republic of Nigeria Livelihood Improvement Family Enterprises in the Niger Delta (LIFE-ND) Disbursement Accounts by Financiers (US\$ '000)															
	IFAD Loan 1		IFAD Loan 2		NDDC		Federal Government		State Governments		Total		For. Exch.	Local (Excl. Taxes)	Duties & Taxes
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%			
Inputs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Civil Works	16 732	43.7	9 421	24.6	8 211	21.4	1 506	3.9	2 458	6.4	38 328	29.5	15 059	21 763	1 506
Vehicles and Motorcycles	1 293	49.9	529	20.5	637	24.6	129	5.0	-	-	2 588	2.0	1 294	1 165	129
Consultancies	3 550	41.6	2 249	26.4	2 311	27.1	314	3.7	100	1.2	8 524	6.6	3 137	5 074	314
Equipment and Materials	399	56.1	134	18.9	147	20.7	31	4.3	-	-	711	0.5	305	375	31
Salaries and Allowances	3 592	40.8	1 537	17.5	1 350	15.3	0	-	2 319	26.4	8 797	6.8	-	8 797	-
Operating Costs	900	33.4	689	25.6	1 020	37.9	84	3.1	-	-	2 692	2.1	-	2 609	84
Grants and Subsidies	21 450	49.5	10 725	24.8	11 146	25.7	-	-	-	-	43 321	33.3	-	43 321	-
Training	5 737	47.7	3 231	26.9	2 589	21.5	472	3.9	-	-	12 029	9.3	-	11 557	472
Workshops	6 348	48.7	3 566	27.4	2 589	19.9	522	4.0	-	-	13 024	10.0	-	12 503	522
Unallocated	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total PROJECT COSTS	60 000	46.1	32 081	24.7	30 000	23.1	3 057	2.4	4 877	3.8	130 015	100.0	19 795	107 163	3 057

Appendix 10: Economic and Financial Analysis

Exchange rate NGN 305 = USD 1

Discount rate = 14%

Project projected life = 25 years

- 1) The economic life of some tree crops including cocoa, oil palm and plantain/bananas; and some processing equipments such as hydraulic press and rice haulers is up to 25 years and beyond: consequently the analysis was projected for 25 years.
- 2) For all tree crops including cocoa, oil palm and plantain production investment on seedlings is made in the second year of the project.
- 3) In year zero of the project it was assumed that the youth/woman was not employed, however he/she gets his/her upkeep from relatives. The opportunity cost of this upkeep which he/she will lose when he/she is gainfully employed in the second year was estimated as a third of maize output of a maize farmer (this is a simplifying assumption to generate incremental benefit "with" and "without" LIFE intervention.
- 4) In the first year the youth/woman is on tutelage and receives equivalent of his/her upkeep without the project but in addition receives the start-up amount of his/her chosen enterprise.
- 5) In the second year the youth/woman develops his/her enterprise: (planting the seedlings if tree crops)
- 6) The duration for incubation and gestation and the start-up amount for each enterprise were obtained from descriptive analysis of the baseline data
- 7) For those that are mentored, starting from end of programme year 2 they will be provided N250,000 (though a revolving credit fund) per enterprise). This amount is recorded as financial inflow in the financial analysis. It has one year moratorium. It starts being repaid (financial outflow) on equal amount for 3 years without interest from the third year after collection.
- 8) Upgrading of the technology of the master could be supported. As a matter of fact, the master is a service provider and will be remunerated for rendering the service. It is assumed that this intervention will increase the area, yield or quantity of raw material processed by about 10 percent by project year 5.
For food crops such as cassava and rice:
- 9) Before the project, the beneficiaries were not employed. But they were alive consequently it is assumed that they received some income for their upkeep. We may not assume that the income was N5000 unemployment benefit of FGN rather we take it that they were nursing the enterprise that they have chosen and were practicing it in a very low scale ie 10 percent of the going scale. Consequently for projects year zero and year one, the scale of operation is only 10 percent of the going scale.
- 10) Analysis is based on the first six years of the LIFE project as funding for this phase is assured.
- 11) LIFE will identify, strengthen or create 25,500 youth agri-enterprises during its programme duration.

Based on (9) and (10) the following table of project achievement was computed. Column 1 stands for the project years. Column 2 coded the rate of project implementation which started building up gradually up to the 3rd and 4th years of the project, then declined gradually till the 6th year. Column 3 shows the proportionate rate of project implementation per project year. Column 4 shows the total achievement of the project and column 5 shows the project's achievement with respect to each project year.

TABLE 1: LIFE PROJECT,S ACHIEVEMENTS PER ANNUM

Project Year	Rate	Proportion	Achievement	Achievement w.r.t project year
1	1	0.08	25500	2125
2	2	0.17	25500	4250
3	3	0.25	25500	6375
4	3	0.25	25500	6375
5	2	0.17	25500	4250
6	1	0.08	25500	2125
	12			25500

RELATIVE IMPORTANCE OF THE SELECTED ENTERPRISES FOR FINANCIAL AND ECONOMIC ANALYSIS

The relative importance of the selected enterprises for economic and financial analysis was determined based on the number of responses obtained from the baseline survey and the result is presented in table 2. The fourth column of table 2 shows the proportion of responses for the enterprises (their relative importance) in the region.

TABLE 2: RELATIVE IMPORTANCE OF THE SELECTED ENTERPRISES

S/No	Selected Enterprises for Financial and Economic Analysis	Total Response	Proportion
1	Cassava Production	122	0.17
2	Plantain Producer	111	0.15
3	Fish Processor	86	0.12
4	Poultry Producer	82	0.11
5	Rice Production	77	0.10
6	Oil Palm Producer	59	0.08
7	Cocoa Producer	56	0.08
8	Cassava Processing	44	0.06
9	Fish Producer	42	0.06
10	Rice Processor	31	0.04
11	Oil Palm Processor	28	0.04
	Total	738	1.00

The relative importance of the selected enterprises for economic and financial analysis was used to allocate the Achievement of the LIFE project per year (table 1) to the selected enterprises and the result is presented in table 3. For instance in project's year one, a total of 2125 youth and women will be incubated in various enterprises. Out of this number (2125), 351 or 17 percent will be incubated in cassava production; 320 incubated in plantain production; 248 incubated in fish processing; 236 poultry production; 222 rice production; 170 oil palm production; 161 cocoa production; 127 cassava processing; 121 fish production; 89 rice processing and 81 will be incubated in oil palm processing. Other details are in table 3. Essentially, elements of table 3 were used as aggregation weights to sum up the incremental net benefits from the selected enterprises in order to obtain the total project's incremental benefits. The LIFE project's incremental benefits were used to compute the interim IRR.

Table 3: Aggregation Weights for summing the Incremental Benefits

Enterprises	Response	Share	PY1	PY2	PY3	PY4	PY5	PY6	Total
Cassava Production	122	0.17	351	703	1054	1054	703	351	4215
Plantain Producer	111	0.15	320	639	959	959	639	320	3835
Fish Processor	86	0.12	248	495	743	743	495	248	2972
Poultry Producer	82	0.11	236	472	708	708	472	236	2833
Rice Production	77	0.10	222	443	665	665	443	222	2661
Oil Palm Producer	59	0.08	170	340	510	510	340	170	2039
Cocoa Producer	56	0.08	161	322	484	484	322	161	1935
Cassava Processing	44	0.06	127	253	380	380	253	127	1520
Fish Producer	42	0.06	121	242	363	363	242	121	1451
Rice Processor	31	0.04	89	179	268	268	179	89	1071
Oil Palm Processor	28	0.04	81	161	242	242	161	81	967
Total	738	1.00	2125	4250	6375	6375	4250	2125	25500

Financial Analysis

The estimated overall financial Internal Rate of Return (FIRR) for the LIFE project is 43 %; with a NPV of NGN **53,646,174,700** or USD **175,889,100**; and incremental net benefit of NGN **15,148,983,800** or USD **49,668.800**, assuming an opportunity cost of capital of 14%.

The details for the project enterprises are in table 4.

The LIFE project's incremental benefits were used to compute the financial IRR for the project and this is presented in table 4. The estimated financial IRR and the Net Present Value (NPV) for the enterprises and the project are presented in table 4. The LIFE project's estimated NPV is equal to NGN **53,646,174,700**. If we assume an exchange rate of USD1 = NGN 305. The current project cost of USD 60 000 000 will be equal to 18,300,000,000.

Table 4: Estimated Financial IRR And NPV

Project Enterprises	Percent	000 Naira		000 USD	
		IRR	NPV	INCR BENEFIT	NPV
Cocoa Production	0.41	2431.78	1152.95	7.97	3.78
Plantain Production	0.60	3442.47	1144.31	11.29	3.75
Oil Palm Production	0.73	6622.36	2034.06	21.71	6.67
Cassava Production	0.39	439.04	160.70	1.44	0.53
Rice Production	0.64	881.41	246.97	2.89	0.81
Layer Production	0.77	2073.70	535.28	6.80	1.76
Fish Production	0.64	1424.29	407.39	4.67	1.34
Fish Processing	1.00	1156.89	291.71	3.79	0.96
Palm Fruit Processing	0.35	3338.70	1331.20	10.95	4.36
Rice Milling	0.85	3919.18	989.76	12.85	3.25
Garri Production	0.89	456.00	672.64	1.50	2.21
Project	0.43	53646174.7	15148983.8	175889.1	49668.8

The cash flow worksheet developed for the LIFE project was used to compute:

- The Total Project Financial Net Incremental Benefit;
- The Total Project Unallocated Cost/Overheads; (the unallocated/overhead costs were assume to be 30 percent of the project loan amount. The proportion in column 3 of table 1 was used to allocate the unallocated/overhead costs to the six years of the project's life) and
- The Project Financial Net Incremental Benefit after all Costs

These are presented in table 5. The Stream of Project Financial Net Incremental Benefit after all Costs was used to compute the financial IRR and the Net Present Value at 14 percent discount rate.

Table 5: Stream of Project Financial Net Incremental Benefit after all Costs

Financial Analysis			
Project Year	Total Project Financial Net Incremental Benefit	Total Project Unallocated Cost	Project Financial Net Incr. Benefit after all Costs
0	0	-508333333.3	-508333333.3
1	-1107065966	-1016666667	-2123732632
2	-1932140039	-1525000000	-3457140039
3	-2293652670	-1525000000	-3818652670
4	-801135888.6	-1016666667	-1817802555
5	2914760375	-508333333.3	2406427041
6	7346770837		7346770837
7	12105448630		12105448630
8	15148983825		15148983825
9	17151730192		17151730192

Financial Analysis			
Project Year	Total Project Financial Net Incremental Benefit	Total Project Unallocated Cost	Project Financial Net Incr. Benefit after all Costs
10	18150202786		18150202786
11	18358446605		18358446605
12	18427803610		18427803610
13	18427803610		18427803610
14	18433971293		18433971293
15	18439332743		18439332743
16	18444694429		18444694429
17	18443888904		18443888904
18	18443890321		18443890321
19	18444698679		18444698679
20	18439945779		18439945779
21	18435193116		18435193116
22	18429634220		18429634220
23	18429637053		18429637053
24	18435201616		18435201616
25	18440766179		18440766179

Economic Analysis

Economic analysis involves estimating the economic ratios (NPV and IRR) while visualizing the Nigerian economy as if:

1. There are no ownership rights to resources;
2. No resources' underutilization is permitted;
3. All constraints to free trade of resources and outputs are assumed away;
4. No monopoly effects exist in the economy; and
5. Government interference was limited to ensuring free competitive enterprises such that the economy tends to a perfect competitive market situation.

In transmitting estimates made in the financial cash flow to estimates for economic cash flow: (1) all possible institutional constraints are removed; (2) all transfer payments namely: taxes, subsidies, loans, interest repayment and grants are removed from the financial flows; (3) inputs are valued (shadow priced) at their opportunity cost while outputs are valued (shadow priced) at their willingness to pay.

The numeraire used for the economic analysis is 'the domestic currency at domestic price level' that is the prevalent market prices of the naira as at mid June constant prices 2016. Essentially moving from financial to economic analysis involves adjusting market prices to economic (accounting) prices that is opportunity cost pricing for inputs and willingness to pay for output. This price adjustment is not carried out mechanically but with sensuous feel of the economy of interest. In the LIFE project it was carried out as follows.

In converting from financial to economic accounts we adopted the accounting practice of the doctrine of materiality by striking a balance between analytical elegance and getting the true picture by applying rough approximations and ignoring trivial adjustments that will not make any substantial difference in the investment decision. Financial prices were converted into economic prices by making four groups of adjustment namely: (i) adjustment for direct transfer payments; (ii) adjustment for price distortions in the exchange rate; (iii) adjustment for price distortions in traded items; and (iv) adjustment for price distortions in non-traded items.

(1) Adjustment for Direct Transfer Payments

All direct transfer payments (payments that represent not the use of real resources but only the transfer of claims to real resources from one person in the society to another) were expunged from the analysis. These transfer payments included taxes, direct subsidies, credit transactions such as grants/loans, receipts and repayment of principal as well as interest payments. To this end the following subheads were expunged from the financial cash flow accounts:

- 1) Taxes
- 2) Financial inflows including disbursements from project grant/loan
- 3) All Transfers from previous period
- 4) Contribution from own savings
- 5) Debt Service with respect to loans and grants; principal amounts; amounts due and interests
- 6) All transfers to next period

(2) Adjustment for price distortions in Exchange rate

In this section adjustment was made to the exchange rate. Given the Official Exchange rate⁵⁸ as NGN 305 = USD 1 and the average rate of import duties⁵⁹ as 16.9 percent the Import Exchange Rate (IER) is estimated at NGN 356.55 = USD 1. Since there is no tax on exports the Export Exchange Rate

⁵⁸/Project Concept Document

⁵⁹/Nigeria Customs service. ... CET Tariff - Act No. 4.

(EER) remains at the official exchange rate (NGN 305 = USD 1). Taken the elasticity of imports as 0.7 and the elasticity of exports as 0.3, the weighted average exchange rate (imports and exports) or Shadow Exchange Rate (SER) is estimated at NGN 341.08 = USD 1. The Premium on Foreign Exchange (PFE) emanating from distortions generated by trade policies is estimated at 0.12 and the Standard Conversion Factor (SCF) is estimated at 0.89.

Table 1: Adjustment for price distortions in Exchange rate

Description	Statistic			Estimate
National Statistics	Official Exchange rate			305
National Statistics	Average import duties			0.169
National Statistics	Import Exchange Rate			356.545
National Statistics	Export Exchange rate			305
Description	Duty	Effective price	Elasticity	Economic values
Import (National average)	17%	356.545	0.70	249.58
Export (No duty on agric prod)	0%	305	0.30	91.50
Shadow Exchange Rate				341.08
Standard Conversion Factor				0.89
Premium on foreign exchange				0.1183

(3) Adjustment for price distortions in major imported inputs

In this section adjustment was made to the prices of major imports in the project.

The major traded inputs in the project are imported organic fertilizers particularly Triple Super Phosphate (TSP) and Urea. The economic prices of these fertilizers were estimated at TSP = NGN 5,221.7 and Urea = NGN 4,682.9 based on the following assumptions:

World Bank Commodities Prices Data (Pink Sheet Feb 2017)⁶⁰: FOB TSP⁶¹ = USD 269; FOB Urea⁶² = USD241

Freight and Insurance = 8 percent

Shadow Exchange rate = NGN 341.08 = USD 1.0

Standard Conversion Factor = 0.89

Port handling and Clearance rate = 10 percent of Cost Insurance and Freight (CIF)

Distance from port to project state capital = 820 Km and mileage cost = NGN1.0 per Mt per Km

Intrastate movement = 40 Km and mileage cost = NGN5.0 per Mt per Km

The Free on Board (FOB) prices of the fertilizers were first converted to CIF prices with respect to Lagos port (Apapa). Secondly the CIF prices were converted to local currency using the shadow exchange rate. Thirdly, port handling and clearance charges and transportation (inter and intra state) costs were estimated and added to the border prices to arrive at farm gate parity prices of the fertilizers.

Table 2: Adjustment for price distortions in major imported inputs

S/No	Item Description	Details	Unit	Rate	CF	WP TSP	WP Urea
1	World Price CPT = FOB	World Bank Commodities Prices Data (Pink Sheet Feb 2017)	US\$ /Mt			269.0	241.0
2	Freight and Insurance		US\$ /Mt	0.08		21.5	19.3
3	CIF, Apapa Lagos	Sum of 1 and 2	US\$ /Mt			290.5	260.3
4	CIF, Apapa Lagos	Convert 3 to Naira using Shadow exchange rate (\$1=N341.08)	N/Mt	341.08		99091.0	88776.7
			-				
5	Port handling and Clearance	(Rate* Conversion Factor*CIF)	N/Mt	0.05	0.89421	4430.4	3969.3

⁶⁰ / <http://www.worldbank.org/commodities>

⁶¹ /TSP (triple superphosphate), bulk, spot, granular, fob Tunisia.

⁶² /Urea, (Black Sea), bulk, spot, f.o.b. Black Sea (primarily Yuzhnyy).

S/No	Item Description	Details	Unit	Rate	CF	WP TSP	WP Urea
	From Port to Inland Towns	Project State Capital	-				
6	Transportation Cost	820 Km x Milage rate x 0.763 (SCF) (add to imports)	N/Mt	1.00	0.89421	733.3	733.3
7	Interstate transport	40KmxMilage (N4.7) x 0.763 (TCF) (add to imports)	N/Mt	5.00	0.89421	178.8	178.8
8	Farm gate price	Sum (4+5+6+7)	N/Mt			104433.5	93658.1
9	Farm gate price	Divide by 1000	N/kg			104.4	93.7
	Farm gate price	Multiply by 50	N/50 Kg bag			5221.7	4682.9

(4) Adjustment for price distortions in major import substitution outputs produced from the Project

In this section adjustment was made to the prices of major import substitution outputs that will be produced by the project. The major import substitution outputs that will be produced by the project are: maize, rice, cocoa, palm oil and plantain/banana.

The estimated Economic prices per Mt. for Maize = NGN 62,031.2, Rice = NGN 14,737.4, Cocoa = NGN 86,430.0, Palm oil = NGN 316,091.3, Plantain = NGN 37,254.5. The World Prices (FOB) per Mt. for the traded outputs (Maize⁶³, Rice⁶⁴, Cocoa⁶⁵, Palm oil⁶⁶, Plantain/banana⁶⁷) are as follows Maize = USD 160, Rice = USD 377, Cocoa = USD 2200, Palm oil = USD 806, Plantain = USD 97. The economic prices of major traded outputs were estimated based on the following assumptions:

Official Exchange Rate (OER) = NGN 305 = USD 1.0

Average Import Duties (AID) = 16.9

Import Exchange Rate (IER) = 365.55

Export Exchange Rate (EER) = 305

Elasticity of imports = 0.7

Elasticity of exports = 0.3

Freight and Insurance = 8 percent

Shadow Exchange rate = NGN 341.08 = USD 1.0

Standard Conversion Factor = 0.89

Freight and Insurance Rate = 8 percent of FOB

Port Handling and Clearance Charges = 10 percent of CIF

Distance Port to Project State = 820 Km

Mileage rate Port to Project State = NGN 1.0 per Km

Distance Intra state transport in Project State = 40 Km

Mileage rate Intra state transport in Project State = NGN 5.0 per Km

The FOB prices of the exportable outputs (maize, rice, cocoa, palm oil and plantain/banana) were first converted to CIF prices with respect to Lagos port (Apapa) by adding Freight and Insurance charges as well as port handling and clearance charges. Secondly, the CIF prices were converted to local currency using the shadow exchange rate. Thirdly, transportation (inter and intra state) costs were estimated and deducted from the border prices to arrive at farm gate parity prices of the exportable outputs.

⁶³ /Maize (US), no. 2, yellow, f.o.b. US Gulf ports.

⁶⁴ /Rice (Thailand), 5% broken, white rice (WR), milled, indicative price based on weekly surveys of export transactions, government standard, f.o.b. Bangkok.

⁶⁵ /Cocoa (ICCO), International Cocoa Organization daily price, average of the first three positions on the terminal markets of New York and London, nearest three future trading months

⁶⁶ /Palm oil (Malaysia), 5% bulk, c.i.f. N. W. Europe

⁶⁷ /Bananas (Central & South America), major brands, US import price, f.o.t. US Gulf ports.

Table 3: Adjustment for price distortions in major import substitution outputs

S/No	Description	Details	Unit	Rate	CF	Import Substitutes				Export
						Maize	Rice	Palm oil	Plantain	Cocoa
1	World price FOB	World Bank Commodities Prices Data (Pink Sheet Feb 2017)	US\$/Mt			160.0	377.0	806.0	97.0	2200.0
2	Freight + Insurance		US\$/Mt	0.08		12.8	30.2	64.5	7.8	176.0
3	CIF Apapa, Lagos.	Sum (1 + 2)	US\$/Mt			172.8	407.2	870.5	104.8	2376.0
4	CIF Apapa, Lagos.	No 3 x Shadow Exch. rate	₦/Mt	341.08		58938.9	138874.7	296904.6	35731.7	810409.6
5	Port Handling + Clearance(10%) of value	(CIF*0.1) x 0.85 (SCF)	₦/Mt	0.10	0.89421	5270.4	12418.4	26549.6	3195.2	72468.0
		Value at the Border	-			64209.3	151293.1	323454.3	38926.9	882877.6
Port to Inland town in Port Harcourt										
6	Transportation Cost	820 Km x 1.0 x 0.763 (minus for exports)	₦/Mt	1.00	0.89421	733.3	733.3	733.3	733.3	733.3
	Reference Mkt. Price					63476.0	150559.9	322721.0	38193.6	882144.4
7	Interstate Transport	40 Km x 5.0*0.763 (TCF)(minus for exports)	₦/Mt	5.00	0.89421	178.8	178.8	178.8	178.8	178.8
8	Farm gate Price Excluding transport. and Storage Losses	Sum (4 - 6-7)	₦/Mt			63297.2	150381.0	322542.2	38014.8	881965.5
9	Farm gate Price Excluding transport and Storage Losses	Net out 2%	₦/Mt			62031.2	147373.4	316091.3	37254.5	864326.2
10	Farm gate Price	Divide by 1000	₦/Kg			62.0	147.4	316.0913	37.2545	864.3262
11	Farm gate Price	Multiply 9 by 50				3101.6	7368.7			

(5) Adjustment for price distortions in the wage rate

Following Gittinger (1982), the annual shadow wage receipt for agricultural labour is the number of days in the year when most rural labour can expect to find employment multiplied by the daily wage rate at such times reduced by a conversion factor. In the project area agricultural labour is employed for about 5 months only in a year. In the remaining 7 months, unemployment of agricultural labour is the order of the day, no wonder the soaring youth restiveness in the area. An expedient approach to convert financial wage rate to economic wage rate is to weight the financial wage rate by the proportion of the months of the year that agricultural labour is employed and apply a conversion factor to the estimate. The weight is derived as in table 4.

Table 4: Adjustment for price distortions in the wage rate

Item description	Estimate
Number of months in the agricultural calendar	12
Number of months in the year labour is employed	5
Weighting factor	0.417
Standard conversion factor	0.894
Weighting factor for converting financial to economic wage rate	0.373

Given the financial wage rate of NGN 1000, the economic wage rate was estimated at NGN373.0.

(6) Adjustment for price distortions in the non-traded items (inputs and outputs)

Nigeria is a developing country and the markets are operating as second best model fraught with market imperfections and cannot be assumed to operate perfectly competitive economic model where government intervenes only to ensure perfect competition and equitable distribution of resources (first

best model). In reality the Nigerian economy implements policies that distort the economy. These included: import bans, restrictions, duties, taxes, quota. Within the economy there is immobility of resources, lack of information about market signals and imperfections in knowledge about the working of the economy. All these conspire to drive a wedge between market and economic prices. In order to adjust for these distortions, the prices of non-traded commodities were weighted with the SCF. The recorded financial prices which represent the opportunity cost in case of inputs or willingness to pay in case of outputs were deflated with the standard conversion factor.

In summary, in transmitting estimates made in the financial cash flow to estimates for economic cash flow we adjusted for:

- i) direct transfer payments
- ii) distortions in exchange rate
- iii) price distortions in major imported inputs
- iv) price distortions in major import substitution outputs produced from the project
- v) price distortions in the wage rate
- vi) price distortions in the non-traded items (inputs and outputs)

After casting the economic cash flow, the financial ratios were estimated and the results are presented in table 5.

Economic Analysis

The estimated overall Economic Internal Rate of Return (EIRR) for the LIFE project is 35 %; with a NPV of NGN **31,758,741,400**; or USD **104,120,000**; and incremental net benefit of NGN **13,089,456,900** or USD **42,916,300**, assuming an opportunity cost of capital of 14%.

The details for the project enterprises are in table 5.

Table 5: Estimated Economic IRR and NPV

Project Enterprises	Percent	000 Naira		000 USD	
		IRR	NPV	INCR BENEFIT	NPV
Cocoa Production	0.46	4962758.94	1662223.17	16271.34	5449.91
Plantain Production	0.16	95153.33	190863.18	311.98	625.78
Oil Palm Production	0.64	7777915.91	1981124.06	25501.36	6495.49
Cassava Production	0.42	853389.35	218488.16	2798.00	716.35
Rice Production	0.50	1141545.27	268529.78	3742.77	880.43
Layer Production	0.50	2275868.89	545310.29	7461.87	1787.90
Fish Production	0.52	1699522.23	411578.91	5572.20	1349.44
Fish Processing	0.57	1180349.98	267628.19	3870.00	877.47
Palm Fruit Processing	0.42	6224022.53	1731160.87	20406.63	5675.94
Rice Milling	0.33	1335822.52	416477.12	4379.75	1365.50
Garri Production	0.71	3116239.75	698839.58	10217.18	2291.28
Project	0.35	31758741.4	13089456.9	104127.0	42916.3

The Economic cash flow worksheet developed for the LIFE project was used to compute:

- The Total Project Economic Net Incremental Benefit;
- The Total Project Unallocated Cost/Overheads;
- The Project Economic Net Incremental Benefit after all Costs

These are presented in table 6. The Stream of Project Economic Net Incremental Benefit after all Costs was used to compute the Economic IRR and the Net Present Value at 14 percent discount rate.

Table 6: Stream of Project Economic Net Incremental Benefit after all Costs

Economic Analysis			
Project Year	Total Project Economic Net Incremental Benefit	Total Project Unallocated Cost	Project Economic Net Incremental Benefit after all Costs
0	0	-508333333	-508333333.3
1	-1692718206	-1016666667	-2709384872
2	-2933559553	-1525000000	-4458559553
3	-3633636629	-1525000000	-5158636629
4	-1824699149	-1016666667	-2841365815
5	2347917249	-508333333	1839583915
6	6731786267		6731786267
7	11070563321		11070563321
8	13089456907		13089456907
9	14545464691		14545464691
10	15332175312		15332175312
11	15623213626		15623213626
12	15725120851		15725120851
13	15725120851		15725120851
14	15731288534		15731288534
15	15736649984		15736649984
16	15742011670		15742011670
17	15741206146		15741206146
18	15741207562		15741207562
19	15742015920		15742015920
20	15737263021		15737263021
21	15732510358		15732510358
22	15726951461		15726951461
23	15726954295		15726954295
24	15732518858		15732518858
25	15738083421		15738083421

Sensitivity Analysis

Sensitivity analysis in this exercise involved: (1) simulating some percentage changes in output prices, input prices, investment and total costs and determining the impact of the changes on the estimated Economic Internal Rate of Return (EIRR) and (2) determining the switching values at 14% cost of capital for costs, benefits and simultaneous increase in costs and decrease of benefits.

Simulation

Sensitivity tests indicate that the estimated EIRR for the LIFE project is stable given a variety of assumptions. The tests indicate that the LIFE project remains viable under a variety of price and cost changes. In general, most the enterprise models were sensitive to changes in the output price, investment and operating costs. A 10% drop in the output prices reduces the project ERR by 10%, and a 10% increase in investment cost reduces the project ERR by 5%, and a 10% increase in operating costs reduces the project ERR by 6%. The details for each enterprise model are on Table 8.

Table 8: Simulation of 10% Fall In Output Prices,10% Rise In Investment and Operating Costs

PROJECT ENTERPRISES	Base IRR	Output Price fall (10%)		Investment Cost Rise		Operating Costs Rise	
		IRR	% Change	IRR	% Change	IRR	% Change
COCOA PRODUCTION	46%	46%	0%	44%	4%	46%	0%
PLANTAIN PRODUCTION	16%	16%	0%	14%	8%	15%	3%
OIL PALM PRODUCTION	64%	61%	5%	61%	5%	64%	0%
CASSAVA PRODUCTION	42%	37%	12%	38%	9%	41%	2%
RICE PRODUCTION	50%	50%	0%	46%	9%	49%	2%
LAYER PRODUCTION	50%	41%	18%	45%	9%	50%	0%

PROJECT ENTERPRISES	Base IRR	Output Price fall (10%)		Investment Cost Rise		Operating Costs Rise	
FISH PRODUCTION	52%	44%	14%	47%	9%	50%	4%
FISH PROCESSING	57%	22%	61%	52%	9%	28%	50%
PALM FRUIT PROCESSING	42%	42%	0%	39%	7%	41%	3%
RICE MILLING	33%	33%	0%	30%	8%	8%	76%
GARRI PRODUCTION	71%	59%	17%	66%	7%	66%	8%
Project	35%	32%	10%	33%	5%	33%	6%

There may be delays in project implementation due to a variety of reasons especially in the payment of counterpart fund contributions to enable draw-down. These delays will result in delays in the project's benefit and will affect the estimated ERR adversely. We simulated the impact on the estimated ERR if the project's benefits are delayed from one year up to three years. Results are summarized in Table 9 and indicate that the project remains economically viable even with up three years' delay in project benefits.

Table 9: Sensitivity Analysis against changes in total project costs, benefits and time lag

	Base scenario:	IRR	NPV (Naira)	NPV (USD)
		35%	31 758 741 377	104 127 021
	Change:			
Project benefits	-10%	34%	28 190 860 535	92 429 051
Project benefits	-20%	33%	24 622 979 693	80 731 081
Project benefits	-50%	29%	13 919 337 167	45 637 171
Project benefits	10%	36%	35 326 622 219	115 824 991
Project benefits	20%	36%	38 894 503 061	127 522 961
Project costs	10%	34%	31 366 734 673	102 841 753
Project costs	20%	33%	30 974 727 969	101 556 485
Project costs	50%	32%	29 798 707 856	97 700 681
1 year lag in benefits		32%	26 919 496 613	88 260 645
2 years lag in benefits		30%	22 674 706 874	74 343 301
3 years lag in benefits		28%	18 951 368 911	62 135 636

Switching values were calculated for total benefits and total costs. The ENPV for the project becomes zero when there is a 90% reduction in benefits or an eight-fold increase in costs.

Molokwu Christopher C. 5th April, 2017

Appendix 11: Draft project implementation manual

This draft PIM brings together relevant information detailed in the Appendices. The PIM will be revised at the early implementation stage of the project, incorporating the operational procedures that may be developed.

I. INTRODUCTION

Purpose of the Project Implementation Manual

1. The Project Implementation Manual (PIM) provides guidelines for the implementation of the Livelihood Improvement Family Enterprises Project (LIFE) in the Niger Delta region of Nigeria. It provides detailed descriptions of the structures and steps required in the implementation of the project. The PIM also provides guidance on the project coordination, financial management, procurement, audit, planning monitoring and evaluation, knowledge management and communication. The PIM is a living document and will be revised from time to time on the basis of emerging project implementation experience.

LIFE in Summary

2. Nigeria, Africa's most populous country, has 42% of the youth and 36% of the women either unemployed or underemployed. Oil exports, which account for 95% of export earnings and 70% of government revenue, have been declining since 2014 due to reduced oil production caused by falling international prices, and increasing sabotage of oil infrastructure in the Niger Delta region by restive youth. As a result of these issues and policy uncertainty, the overall GDP growth rate has steadily decreased from 6.7% in 2014 to negative 1.8% in 2016. Thus, Nigeria is in recession. Further, agriculture which contributed 21% to the GDP in 2015 remains underdeveloped. Nigeria's production of food has not kept pace with population growth and the costly importation of food has resulted in rise in food prices placing pressure on the poor.

3. Nigeria is predominantly a rural economy with over 60% of the population living in rural areas, 90% of whom are engaged in subsistence farming. Rural poverty was estimated at 44.9% in 2013 against an urban poverty incidence of 12.6%. Inadequate access to land, private sector exclusion, and lack of initial capital and reliable market outlets discourage youth and women from engaging in agriculture to improve their livelihood. Rural youth and women face limited alternative employment opportunities. The current agricultural sector policy, Green Alternative Roadmap for Agriculture prioritizes four pillars: food security, job creation, import substitution and economic diversification, while the Strategic Framework for Youth Employment and Job Creation emphasizes youth employment in agriculture.

4. The Niger Delta region, comprising of nine out of the 36 states of Nigeria, is a major producer of cassava, plantain and rice, with fish, cocoa, oil palm and poultry also featuring prominently in some states. However, few value addition enterprises exist to create meaningful jobs and employment for youth and women. Absolute poverty incidence ranges from 45% to 65% in the Niger Delta states; malnutrition is prevalent with 5.3% acute malnutrition, 12.3% underweight, 20% stunting among children under five years of age, and 4.1 percent acute malnutrition among women of reproductive age (15-49 years). Household level food insecurity affects 87.8% of crop farm households in the region. Rising temperatures due to climate change are projected to result in increased rainfall which could worsen soil erosion and flooding.

5. The LIFE project will use the incubator model for agri-enterprise development and job creation successfully demonstrated by the closed IFAD-assisted Community Based Natural Resource Management Programme (CBNRMP), to promote youth employment. The project will also build on the successes of other IFAD-assisted projects on value chain development (linking rural smallholders to private off-takers) and rural finance (promoting local level savings to raise investment funds). The LIFE project targets the first strategic objective of inclusion of young people (and women) in profitable agribusiness in the 2016-2021 Country Strategic Opportunities Programme (COSOP), and is aligned to the national LIFE programme which covers the entire nation.

6. Project area and target group. LIFE will be implemented in the nine Niger Delta states (Abia,

Akwa Ibom, Bayelsa, Cross River, Delta, Edo, Imo, Ondo and Rivers), as with the predecessor CBNRMP, but IFAD support will be focused on six of the states, Abia, Bayelsa, Cross River, Delta, Edo and Ondo, in line with the recommendations of the 2015 Country Programme Evaluation (CPE) for a coverage of a smaller number of states under one project for better results. The Niger Delta Development Commission (NDDC) which has a mandate for the development of the region, and had co-financed the predecessor IFAD-assisted CBNRMP, will finance the implementation of LIFE in the remaining three states. The selection criteria for the six states for IFAD financing include: (a) clear focus on community development and smallholder agriculture; (b) willingness to work with the private sector; and (c) demonstrated commitment and political will (as expressed in the level of participation in the former CBNRMP) to support a joint programme with IFAD. In each state, LIFE will cover 10 LGAs and 10 communities per LGA based on defined criteria. Overall, the project will work in 60 LGAs and 600 communities across the six states. Consideration will be given to high performing states for additional two LGAs during the midterm review (MTR) of the project.

7. LIFE will primarily target 25,500 youth and women beneficiaries as apprentices that will come out of the incubation system with their own profitable enterprises and decent jobs, and eventually serve as incubators themselves. It will also target about 600 established and potential enterprise incubators as a pathway for job creation for the beneficiaries. The beneficiaries will be youth aged 18 to 35 years and women headed households with children under the age of 15 (50% male and 50% female), while the incubators will be identified on the basis of their involvement in market linkage activities, adoption of out-grower model, experience in the incubation of new enterprises, and technical, financial, managerial and infrastructure capacity to provide enterprise incubation services to apprentices. The gender targeting strategy will include the grouping of women into enterprise clusters to leverage services from input suppliers and organized produce buyers; the promotion of women responsive enterprises; sensitivity on the time and venue for events to encourage women participation; self-targeting of women's only groups; provision of at least 40% slot for women in the benefiting community, 30% of leadership positions in commodity associations, and 30% of women in the project management team; and, promotion of the use of the Gender Action Learning System (GALS). The nutrition activities on integrated homestead food production and home grown school feeding initiative will specifically target the women groups in order to create better opportunities for engagement of women and adolescent girls.

8. The overall goal of LIFE is to realize a *transformed rural economy in which the rural population can derive prosperity and equal benefit*. The project development objective is to *enhance income, food security and job creation for rural youth and women through agri-enterprise development on a sustainable basis in the Niger Delta region of Nigeria*. The project has two components with outcomes specified below.

Component	Outcome
1. Enhancement of economic opportunities for rural youth and women	<ul style="list-style-type: none"> • Market driven rural business incubators are strengthened • Production, productivity and marketing of agro-entrepreneurs are improved through public-private producer partnership (PPP) models • Market participation and profitability of beneficiaries enhanced through sustainable enterprises, improved market infrastructure, access to financial services, access to land as well as use of improved technologies • Increased ease of beneficiaries doing agribusiness
2. Project management and coordination	<ul style="list-style-type: none"> • Efficiently and effectively managed project achieving results with communication and knowledge management integrated in all aspects of operations

9. **Component 1: Enhancement of economic opportunities for rural youth and poor women** aims at facilitating the establishment of profitable agribusiness by beneficiaries. It comprises four mutually reinforcing subcomponents. The subcomponents include: (i) Support to rural agribusiness incubation to generate about 25,500 agri-enterprises; (ii) Support to rural agribusiness production and marketing infrastructure; (iii) Promotion of financial services for rural agribusiness; and (iv) Institutional strengthening and knowledge management to support capacity building of rural institutions.

10. Total project cost is estimated at US\$ 95 million (NGN 28.9 billion) comprising US\$ 60 million IFAD loan to finance six states, US\$ 30 million from NDDC as a parallel co-financing for three states, states, as well as US\$ 5 million from Federal and State Governments to finance salaries and office

accommodation. Component 1 will receive US\$ 52 million (representing 86.7% of the IFAD financing, while component 2 will receive US\$ 8 million, 13.3 percent of the IFAD financing. NDDC financing for the three states will be in the same ratio.

II. IMPLEMENTATION AND INSTITUTIONAL ARRANGEMENTS

Project governance

11. The lead governance body for the project will be the National Steering Committee (NSC), chaired by the Minister of the Federal Ministry of Agriculture and Rural Development (FMARD). The NSC will be responsible for oversight of the project and providing policy guidance to project implementation. Other members of the NSC will include the Permanent Secretary of the FMARD, and representatives of NDDC, Federal Ministry of Finance (FMF), Federal Ministry of National Planning and Budget, Federal Ministries of Women Affairs, Water Resources, Environment, and Labour, Central Bank of Nigeria (CBN) and Manufacturers Association of Nigeria (MAN). The NSC will meet twice in a year to review progress, review lessons learned and good practices, and approve AWPBs. At the regional level, a Technical Support Committee (TSC) chaired by the Managing Director of NDDC, and comprising of the NDDC Director of Agriculture and Fisheries, the National Programme Coordinator of LIFE, Regional Project Coordinator (who serves as Secretary), representative of FMF, representatives of recognised youth and women organisations, and a representative of the Commodity Alliance Forum from each participating state, and co-opting when necessary, relevant financial institutions and research institutions, will meet quarterly to review progress of project implementation, assess management effectiveness, decide on corrective measures where appropriate, provide guidance for the smooth implementation of project activities, and review the annual work plan and budget (AWPB) before its submission to the NSC for approval. A State Project Steering Committee (SPSC) chaired by the Commissioner of Agriculture and composed of the commissioners of Finance, Budget and Planning, Women Affairs, representatives of government agencies and departments responsible for youth and women empowerment, representatives of selected commodity associations in the state, representatives of youth and women organisations, and relevant financial institutions, will oversee the implementation of the project and approve the AWPB at the state level. In addition, the SPSC will facilitate the effective participation of relevant actors in the project. The State Project Coordinator shall serve as Secretary to the SPSC which shall meet at least twice in a year.

Project management and coordination

12. Day-to-day management of the project will be undertaken by the Regional Project Coordination Office (RPCO) headed by the Regional Project Coordinator, and housed in NDDC Headquarters in Port Harcourt. The RPCO will be responsible for supervision, technical support and coordination of the activities at the state level. The RPCO will have the competitively recruited key staff indicated below, and will also be able to engage short term consultants as needed to supplement the resources of the team. The terms of reference of the RPCO staff are presented in Annex 1 of Appendix 5.

RPCO staff	SPCO staff
<ul style="list-style-type: none"> • Regional Project Coordinator • Agribusiness Promotion Coordinator • Rural Infrastructure Coordinator • Rural Institutions Coordinator • Monitoring and Evaluation (M&E) Coordinator • Knowledge Management and Communication (KMC) Coordinator • Project Financial Controller • Regional Project Accountant • Procurement Coordinator • Administration and Logistics Officer • Project Internal Auditor* 	<ul style="list-style-type: none"> • State Project Coordinator • Agribusiness Promotion Officer • Rural Infrastructure Officer • Rural Institution/Gender and Youth Officer • M&E Officer • KMC Officer • State Project Accountant • State Finance Officer • Procurement Officer • Administration and Logistics Officer • State Project Internal Auditor*

13. A State Project Coordination Office (SPCO) will be responsible for project implementation within the state. The team will be headed by a State Project Coordinator (SPC) and will comprise the key

staff indicated above, who will be recruited on a competitive basis. The SPCO will also be able to engage short term consultants as needed to supplement the resources of the team. The terms of reference of the SPCO staff are presented in Annex 1 of Appendix 5. A Desk Officer from the Department of Agriculture will be the focal point for the project in each participating local government area (LGA).

Project planning and budgeting

14. LIFE will prepare the annual work plan and budget (AWPB) in a participatory manner by involving the various actors in priority agricultural commodities and strategic partners. Each state will develop an annual action plan with the participation of strategic partners and service providers. These plans will then be consolidated into a single AWPB, which will be submitted for analysis and validation to the regional Technical Support Committee and, then submitted for approval by the National Steering Committee.

15. Each AWPB proposal will include: (i) a detailed description of the activities planned for the coming year, together with the monitoring indicators and modalities for implementation; (ii) an 18-month procurement plan; (iii) a disbursement plan; and (iv) expected results. From the second year onwards, the AWPB should include a summary presentation of the results obtained and the constraints encountered during the previous year. A flexible approach to the possible revision of the AWPB during the fiscal year will be adopted to take into account the recommendations provided by the implementation stakeholders. A timetable for the preparation, analysis, validation, approval, implementation and review of AWPBs will be prepared by the RPCO and approved by the National Project Steering Committee at its first meeting.

16. In general, the AWPB should cover the following areas:

- Summary of progress and performance including: (i) physical progress made in the previous year, including quantitative data; (ii) financial progress in the previous year including cost overruns and savings and analysis of flow of funds from financiers; (iii) procurement performance; (iv) constraints and problems, and recommendations to resolve them; and (v) lessons learned and rationale for activities proposed.
- Description of work plan of current year including: (i) objectives (why?); (ii) activities (how, where?); (iii) deliverables and outputs (what?); (iv) required inputs; (v) implementation arrangements and responsibilities (when, who?); (vi) key M&E indicators, including those indicated in the Environmental and Social Management Framework (ESMF).
- M&E/KM activities; impact oriented data, studies, action learning, expected outputs etc.
- Quantitative data of planned inputs in table format showing detailed physical and financial targets, sources of funding and budget summary tables.
- Monthly activity schedules and timelines (implementation schedule).
- 18-month procurement plan.

Roles and responsibilities of implementing agencies

17. Table 1 of Appendix 5 summarizes the roles, responsibilities, strength and major capacity issues for the implementing agencies. Annex 1 of Appendix 11 presents the organization chart.

III. DETAILED ANALYSIS AND INTERVENTION PLANNING

Overall project approach

18. LIFE will be implemented over a six-year period with IFAD financing the project in six states. The NDDC will finance, manage and supervise activities in the remaining three states. Thus, all the nine Niger Delta states will be covered by the project. Investments will cover 10 LGAs per state and 10 communities in each LGA targeted on the basis of poverty level, youth unemployment, community involvement, conflict-free nature, level of agricultural activities and private sector involvement.

19. Through a PPP arrangement, the project will address the identified constraints that affect youth and women involvement in agriculture, low production and profitability, and employment. LIFE will support: hands-on practical training on agribusiness production; access to resources for production including land; marketing support for enterprises through bulk contracts with the private sector; and, access to finance and market infrastructure to improve beneficiary market participation in the

commodity value chain systems. These interventions will stimulate the development of agribusinesses leading to employment for the beneficiaries at on-farm and off-farm levels.

Phasing

20. LIFE will be implemented in two phases.

- *Phase 1 (prior to midterm)*: This will be for the first three years till midterm. During this phase LIFE will launch the project on a limited scale by selecting 25 incubators per state each of which will incubate five enterprises per year for three years. This will generate 1,500 paid jobs in phase 1. Phase 1 incubators will continue to generate enterprises throughout the life of the project adding another 6,000 jobs.
- *Phase 2 (post midterm)*: Capitalising on the lessons learned during phase 1, LIFE will upscale the model to include an additional 75 incubators per state each generating 10 enterprises per year. This will generate an additional 18,000 paid jobs.

21. The selection of Phase 1 incubators will be based on the criteria already stated. In Phase 2 the selection criteria may be refined based on the lessons learned from Phase 1. A total of 25,500 enterprises which represent paid jobs will be generated during the life of the project. The outreach projections from the two phases are presented in the table below.

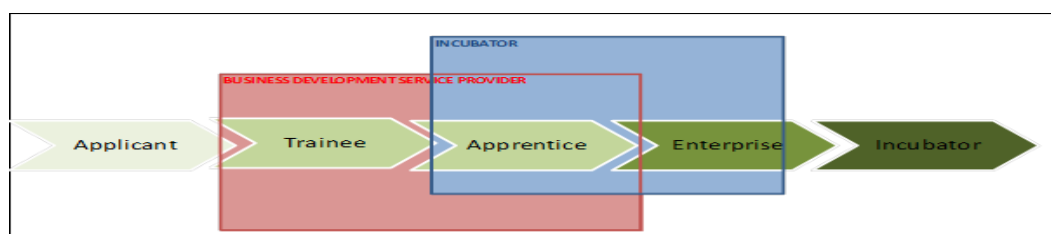
Phases	Incubators per state	Number of states	Total number of incubators	Apprentices per incubator	Enterprises per year	Active project life	Enterprise LOP targets
Phase 1	25	6	150	5	750	2	1,500
Phase 2*	25	6	150	10	1,500	4	6,000
Phase 2	75	6	450	10	4,500	4	18,000
Total enterprises generated							25,500

Note: * The 25 incubators from phase 1 which will continue to participate in phase 2

The incubator model

22. The incubator will be the entry point for LIFE. Based on the experience of the IFAD-financed CBNRMP which successfully supported over 6,000 rural youth and poor women's enterprises, the project will adopt an incubator model to achieve its objectives of enterprise and employment development. Since some of the enterprises created were active in training and helping other farmers to establish their business, CBNRMP coined the name of these enterprises as *incubator*. LIFE will replicate and scale up the Incubator Model to foster the development of new enterprises through training, capacity building, backward linkages and investments. The incubators will be selected based on the following criteria: (i) demonstrated strong growth in profitability over the previous two years; (ii) evidence of market linkages to input suppliers and services as well as linkages to retail and wholesale buyers both inside and outside their LGA; and (iii) financial, technical, infrastructural (land, machinery, etc.) and managerial capacity in the subject business so as to incubate at least 10 apprentices per cycle.

23. The figure below explains the process of incubation. Broadly: (i) *applicants* from the target group are identified by business development service (BDS) providers based on the selection criteria in Box 1; (ii) successful applicants become *trainees* and undergo a 10-day business planning and management training; (iii) successful trainees are seconded to willing incubators where they become *apprentices* and undergo practical orientation for one to two weeks; (iv) following the orientation, apprentices execute two production and sales cycles under the mentorship of the incubator; (v) following the two apprenticeship cycles, the apprentices start their own *enterprises* and are encouraged to agree with their incubator a number of cycles during which they will market their output with the incubator; (vi) following this process, new enterprises may themselves become incubators.



24. To strengthen the incubator model the project will engage with government, community or individuals to make land available to the beneficiaries for production and marketing. As a quick-win, the project will secure farm settlements and warehouse/storage facilities from states for development for use by the incubators and apprentices. Further the project will engage with market operators to broker marketing relationships with the beneficiaries. Where appropriate, the arrangement will be guided by an MoU clearly defining the obligations of each party and responsive to the project performance indicators and project development objective.

25. Selection of incubators: A state level enterprise survey will be conducted to identify strong enterprises/entrepreneurs and those with existing or potential out-grower linkages in the project areas. The survey will also specify if some potential incubators lack adequate facilities to service ten apprentices. In such circumstances, LIFE will facilitate the minimal required assistance to develop them into fully capable incubators. The survey will include a review of the 1,800 Commodity Apex Development Associations (CADAs) affiliated enterprises supported and categorised as strong by CBNRMP.

26. Building on the technical, financial and infrastructural gaps identified during the incubator selection process, a service provider will be engaged by the project to support the incubators to develop their business plans. These business plans will *inter alia* specify the desired financial growth projections of the incubator that will justify their capacity to absorb the apprentices.

27. Selection of apprentices: LIFE will engage a service provider to screen applicants in consultation with the incubators and other key stakeholders such as community based organisations, civil society entities and LGA representatives. The selected apprentices will receive a maximum of 10 days' business planning and management training by hired business development service providers (non-individual) to provide them entrepreneurial knowledge and skills. The business orientation training will also include village level group formation, savings mobilisation and agri-entrepreneurship development activities. By the end of this training course the apprentices will have a bankable business plan, developed in consultation with the incubators, to guide their business operations during the incubation period.

28. Incubation process: Upon successful completion of the training the apprentice will be attached to the incubator to gain hands-on experiences on best practices in the activity of his/her choice. The apprentice will start-up an enterprise which will remain attached to the incubator for an agreed period not to exceed two production cycles. It is expected that the apprentices will raise start-up capital during this period as the person will own a module of the enterprise. An enterprise module is a minimum economic scale of agri-investment that allows a net profitability of at least US\$ 5 per day per capita, as indicated in the table below.

Key commodities and benchmark enterprise scale for support by LIFE

Commodity	Enterprise unit	Scale of enterprise
Cassava	Ha (number of hectares)	4
Rice	Ha (number of hectares)	3
Plantain	Ha (number of hectares)	2
Oil Palm	Ha (number of hectares)	3
Cocoa	Ha (number of hectares)	3
Vegetable	Ha (number of hectares)	3
Fishery	Fish (number of fingerlings)	1,500
Poultry (broiler/layer)	Bird (number of chicks)	500
Piggery	Pig (number of pigs – Sow, Boar)	15
Bee keeping	Hive (number of hives)	60

29. The incubators will be paid a service charge of not more than N100,000 per apprentice to cover the costs of training and extension services to the apprentice. Given the labour intensive nature of the short duration enterprises, apprentices engaged in such enterprises will receive N15,000 per month for six months while those engaged in long duration enterprises will receive 50 percent of this allowance for 12 months. The project will provide N500,000 per apprentice as (reimbursable) seed capital to the incubators to invest in the initial financing needs of the business started by the apprentice attached to the incubator.

30. The apprentice will vacate the incubator facility after the produce from the two-cycle production period is sold, thus generating the capital for the apprentice to set up an independent enterprise. Any gap in this capital for starting the new enterprise will be financed by the incubator from the seed-capital funds. The incubator will continue to provide marketing support to the independent enterprise through re-negotiated off-taker contracts. The new enterprises can serve as village resource persons supporting the project to facilitate group formation, savings mobilisation and enterprise development.

Market, financing and institutional support for agri-enterprise development

31. Beyond the incubator model, LIFE will opportunistically increase the number of market linkages between smallholder farmers and large scale off-takers. In the Niger Delta, commodities such as cocoa, fish, rice, and palm oil are already traded on a large scale and, frequently, it may be possible, without additional incubation to augment purchasing arrangements and MOU-based agreements between buyers and out-growers to include project beneficiaries. Drawing from the successful ongoing VCDP model, the project will support rural out-growers to better supply off-takers.

32. The project will facilitate appropriate finance to the incubators, apprentices, related businesses, individuals and catchment area businesses. This will be achieved through various means during project implementation, including: (i) promoting savings and self-finance by beneficiaries; (ii) matching grants to incubators and apprentices; (iii) vendor/supplier finance driven by off-taker relationships; (iv) matching grants to the existing BOA leveraging loans to project beneficiaries; and possibly (v) tapping into CBN's MSMEDF Refinancing to project areas to increase liquidity.

33. The project will also implement a number of activities at national and state levels to strengthen the capacity of relevant civil society, public and private sector institutions to: (i) improve the policy framework for youth and women producers and marketers; and (ii) support learning, knowledge sharing and communication network and activities, to incentivise youth and poor women to engage in agriculture.

Partnerships

34. With the stronger focus on enterprise development under LIFE and drawing from the experience of CBNRMP, the development of synergies and partnerships with the private sector will be critical to the success of LIFE. Many partnerships were established under CBNRMP on ad hoc and opportunistic bases. Fearing a loss of their jobs, CBNRMP staff missed the opportunity to engage extensively with private extension providers early enough during the period of refocusing on agriculture. The situation affected the quality of service delivery until two years to programme completion when a mind-set change occurred among the staff. The design of LIFE draws from the experience of: (i) the ongoing VCDP where results-based partnership agreements are enabling stronger synergies and resulting in programme impact, especially in the areas of input delivery, financial access, reliable market outlet, economic and social empowerment for small farmers, knowledge sharing, leveraging of resources and scaling up of proven results; and (ii) the CBNRMP partnership with the Songhai Centre, National Root Crop Research Institute (NRCRI), USAID funded MARKETS II, and World Bank-assisted Fadama III involving memorandum of understanding (MoU) for accountability. LIFE has provided for a business promotion adviser in the project coordination team to facilitate the inclusion of the private sector and civil society organisations (CSOs) in project implementation. Project management will adopt more of a coordinating approach, by doing less directly and more through engaging partners.

Revolving fund for seed capital

35. LIFE will facilitate financial assistance to the beneficiaries in the following areas: (i) business training fees for the beneficiaries; (ii) hands on business orientation service charges to the incubator; (iii) apprentices' living expenses during the incubation period; (iv) seed capital for the apprentices to start their businesses in the incubation center; and (v) financing any gap in the accumulated capital of the apprentices to establish independent enterprises. Similarly, some of the incubators will require financial assistance to upgrade their production and processing facilities and make them suitable for the incubation process.

36. *Business training fees for the beneficiaries:* The service provider engaged by the project to train the apprentices on entrepreneurial knowledge and skills acquisition will be paid directly by the project. The cost of training a batch of 60 apprentices has been estimated at NGN100,000 per apprentice

including training fees, transport, food and accommodation needs. Every apprentice will pass through this stage as a qualifying criterion to receive the full range of incubation support.

37. *Hands-on business orientation service charges and technology upgrading assistance:* The service fee of NGN100,000 per apprentice to the incubator to provide an initial practical orientation to the apprentice during the first 1-2 weeks of receiving the apprentice, will be paid in two stages. The first payment will be made at the point of attaching the apprentice to the incubator. The second payment will be made at the end of the practical orientation. LIFE expects that the incubator will use this charge to upgrade any observed gap in the production and processing facilities and make them suitable for the incubation process.

38. *Apprentices' living expenses during the incubation period:* The apprentices living expenses allowance during the first two cycles of their attachment to the incubator shall be NGN15,000 per month for six months for those engaged in short duration enterprises, and 50 percent of this amount for 12 months for those engaged in long duration enterprises. This payment will be made to the apprentices on monthly basis as a transfer upon satisfactory performance.

39. *Seed capital for the apprentices to start their businesses in the incubation center:* NGN500,000 per apprentice shall be paid to the incubators as (reimbursable) seed capital to invest in the initial financing needs of the business started by the apprentice. This will cover the apprentices' working capital financing needs during the first two production cycles. It will be a one-off capital stimulation injection to the apprentices, and is owned and managed by the community organisations active in the villages from where the apprentices are selected. The project will facilitate an agreement between itself, community organisations and the incubators stating their mutual responsibilities including the supervision/ oversight roles of the project. The community organization will manage the seed capital as a revolving fund for more apprentices subsequently selected from the community.

Integration with national LIFE and FMARD planning processes

40. Through the use of the National Project Steering Committee (NPSC) which will oversee the implementation of LIFE in all the states and 774 LGAs of Nigeria, there would be full integration of the LIFE project in the Niger Delta with LIFE nationwide as well as the planning and budget processes at the FMARD. Among others, the NSC will approve the LIFE AWPB and incorporate it into the ministry's budget.

IV. FINANCIAL MANAGEMENT AND ACCOUNTING

41. The details are in Appendix 7.

V. PROCUREMENT

42. The details are in Appendix 8.

VI. MONITORING AND EVALUATION

43. The details are in Appendix 6.

Appendix 12: Compliance with IFAD policies

Coherence with IFAD Policies

IFAD's overarching development goal for 2016 to 2025 is to invest in rural people to enable them to overcome poverty and achieve food security through remunerative, sustainable and resilient livelihoods. The principles of engagement set forth by IFAD to achieve its over-arching goals include (a) Targeting; (b) Empowerment; (c) Gender equality; (c) Innovation, learning and scaling up; and (d) Partnerships. Below is a summary of how LIFE has been designed to respond to the principles of engagement.

IFAD Principle of Engagement:	LIFE's Alignment with IFAD's Principles of Engagement:
Targeting: Target rural poor people	LIFE is targeting the vulnerable groups in the Niger Delta who are mainly youth, women and the migrant returnees, using the instrument of profitable agribusinesses to economically empower them to live decent lives. This aims at providing decent work and impact on economic growth in compliance with SDG 8. In doing this, LIFE has emphasized in developing the skills and productivity capacity of marginalized women and vulnerable youth
Empowerment: Empower rural poor people by building capacity, productivity and market participation of the rural poor	<p>A key element of LIFE is to build on the CADA and Youth Groups success of the closed CBNRMP and using the rural institutions as development platforms for social and economic engagement of the target groups. LIFE has identified CADA as the entry point to benefiting communities. Where they do not exist, LIFE is set to facilitate their establishment as an enabling environment to promote inclusiveness.</p> <p>LIFE has also emphasized on clustering, developing and strengthening of rural producers' organizations to have a bargain power for their economic needs, as well as take advantage of their strengthen to benefit from economies of scale in its engagement with the private sector.</p> <p>The CADA, FO and youth groups have become a successful platform for engaging with government on policy debate to improve on governance. In the area of market participation, provision and improvement of rural market infrastructure (farm-to-market roads, land, storage facilities and wholesale market places) is a well-defined set of key activities of LIFE under subcomponent 1.2 to increase farmers' participation in the market.</p> <p>The PPP arrangement of LIFE is also designed to enhance technologies and processing facilities and enable participating women to diversify the range of their farm products for increased income. The service expansion is consistent with IFAD policy and SDG 8 aimed at creating decent work for the rural people.</p> <p>Access to agricultural technologies and production services using the PPP is to ensure that small farmers benefit from the strength of the government, private sector and research institutions to access productivity enhancing technologies, services and hence their return on investment (profitability).</p>
Gender equality and gender inclusion in decision making	<p>LIFE will use GALS as a reliable gender inclusion tool for equality. Proactively, LIFE has also set a target of 44% of beneficiaries to be women, and emphasized on working with women-only groups as a targeting strategy to address the inequality gap among men and women.</p> <p>A clear gender targeting strategy, which promotes women involvement in the activities of LIFE is well reflected in the targeting section. This includes: (a) women responsive enterprises, (b) time, venue and environment friendly events to ensure women participation, (c) direct targeting of women-only groups, (b) provision of up to 44 per cent slot for the benefiting community, (d) ensuring that women hold at least 30% of leadership positions in commodity associations, (e) engagement of a minimum of 35% of women in the project management team; (f) use of GALS, among others.</p>
Innovation, learning and scaling up: IFAD will place a premium on innovation, learning and scaling up of successes and, in the process, leverage effective and efficient partnerships where	<p>LIFE uses an innovative enterprise incubation system and CADA model of the closed IFAD-CBNRMP. LIFE has also adopted the innovative community alliance forum (CAF) of the ongoing IFAD-assisted VCDP in the Middle Belt of Nigeria. LIFE will build on models to leverage knowledge, using the platform of the PPP (e.g. CAF) to up-scale results as reflected in component 1.1.</p> <p>LIFE will also emphasize the development of partnership with the private sector and research institutions such as IITA and Cassava Harvest Plus of CGIAR Group to leverage knowledge on the emerging bio-fortified nutrition responsive cassava varieties. The incubation agri-enterprises have been integrated in the M&E system to provide reliable feedback on the</p>

comparative advantages are exploited	<p>performance of innovative approaches to the central M&E system.</p> <p>The innovative CAF/PPP model will help to leverage additional resources from partners to scale up women and youth participation in the project.</p>
Partnerships.	<p>As reflected in component 1.1 and the overall programme approach, partnership is at the centre of the LIFE implementation strategy. The LIFE project will forge an estimated 50 PPP arrangements between government, private sector operators and producers in each state during the 7 years duration to facilitate knowledge, credit, input and technology access to up-scale performance and to ensure sustainability.</p> <p>The entire project has been designed to benefit from partnerships at different levels. For instance, for land access, LIFE partners with state government will provide and develop mini-bulk land and improve women and youth access to land.</p> <p>For connecting the women/youth to service markets and ensure market participation, LIFE is pursuing a PPP arrangement with clear obligations for each party to enable the benefiting groups to engage in profitable enterprises. In this context, LIFE aims to build on the commodity alliance forum (CAF), which is a business transaction platform of key stakeholders including private sector, small-scale rural producers, governments, and civil society to ensure sustainable value chain financing for smallholder farmers.</p> <p>LIFE has an in-built arrangement to partner with government at the national and regional level on areas of sustainability, co-financing and policy dialogue in order to create an enabling environment and improve the regulatory framework to help agribusiness to thrive. Under component 1.1, LIFE aims to partner with CORY certified training organizations to leverage on their knowledge and provide initial business orientation to new entrants in the project.</p>
Strengthening the environmental sustainability and climate resilience of their economic activities (IFAD's SO3)	<p>LIFE's strategic goal is driven by two key components. The second key component is "Enabling institutional environment for youth and women employment in agribusiness development".</p> <p>LIFE aims to implement activities that mainstream climate change smart measures comprising (a) the use of climate-resilient agricultural practices to enhance productivity sustainability, (b) efficient use of weather resilient and productivity enhancement technologies, such as drought-resistant varieties, water tolerant varieties; (c) climate change resilience infrastructure, and (d) reduction in greenhouse gas emission through support to plantation/tree crops.</p> <p>Component 1.1 also emphasizes the use of crop insurance to help rural people improve their financial security against extreme weather events and natural disasters..</p> <p>A SECAP review and related Environmental and Social Management Framework (ESMF) have been prepared to guide implementation regarding interference with forest land and establishment of related infrastructure. LIFE advocates selection of agribusinesses and value chains based on their agro-ecological suitability and emphasizes the use of smart technologies found in the existing staple crop processing zones to reduce climate impacts.</p> <p>Agro-entrepreneurs will be encouraged to adopt a 'no regret' strategy, including agricultural insurance to mitigate climate impacts. LIFE will avoid significant negative effects on the environment by discouraging the opening of virgin forests and wetlands and unsustainable secondary value chains such as the use of charcoal in fish kilns. LIFE will strengthen advisory/extension services (including the local meteorological office) to improve their capacities to generate and disseminate critical climate information to farmers to guide on-farm activities. LIFE will encourage Good Agricultural Practices (GAP) from land preparation to harvest and storage and processing.</p>
Improve country-level capacity for rural policy and programme development, implementation and evaluation	<p>As reflected in component 2 sub-component 2.2, LIFE has a provision to provide technical and policy support to the FMARD to strengthen the extension system, develop a M&E framework as well as a coordination system to ensure harmonization of donor initiatives with the national systems.</p>

Appendix 13: Contents of the Project Life File

PRIOR DOCUMENTS

COSOP
OSC minutes
CPMT Minutes

WORKING PAPERS

1. Project cost tables
2. Financial and economic analysis
3. Baseline Survey

MISSION DOCUMENTS

Terms of Reference for Detailed Design Mission
Terms of Reference for Design Completion Mission
PDR after Detailed Design Mission
PDR after Design Completion Mission
Minutes of the meeting of the State Selection

IFAD REVIEW DOCUMENTS

QE Memo
Reviewers' Recommendations Note
QE Panel Report

Appendix 14: Environmental and Climate Assessment Procedure (SECAP) Review for LIFE Niger Delta

I. Background

1. Major landscape characteristics and Issues (social, natural resources, and climate)

The Niger Delta Region (NDR)

1. The focus area of the LIFE-Niger Delta (LIFE-ND) is the nine (9) southern oil producing States of Abia, Akwa Ibom, Bayelsa, Cross-River, Edo, Delta, Imo, Ondo and Rivers, referred to as the Niger Delta Region (NDR) or Niger Delta States (NDS). The NDR is situated in the southern part of Nigeria and bordered to the south by the Atlantic Ocean and to the East by Cameroon, and covers about 110,624 km² (about 12% of Nigeria's land area). The nine states of NDR consist of 184 LGAs (Fig 1). Cross River State has the largest landmass of 21,787km² followed by Edo 19,187km², Ondo 15,820km², Rivers 10,575km², Bayelsa 9,059km², Akwa Ibom 6,900km², Imo 5,288km² and Abia 4,900km² in that order.

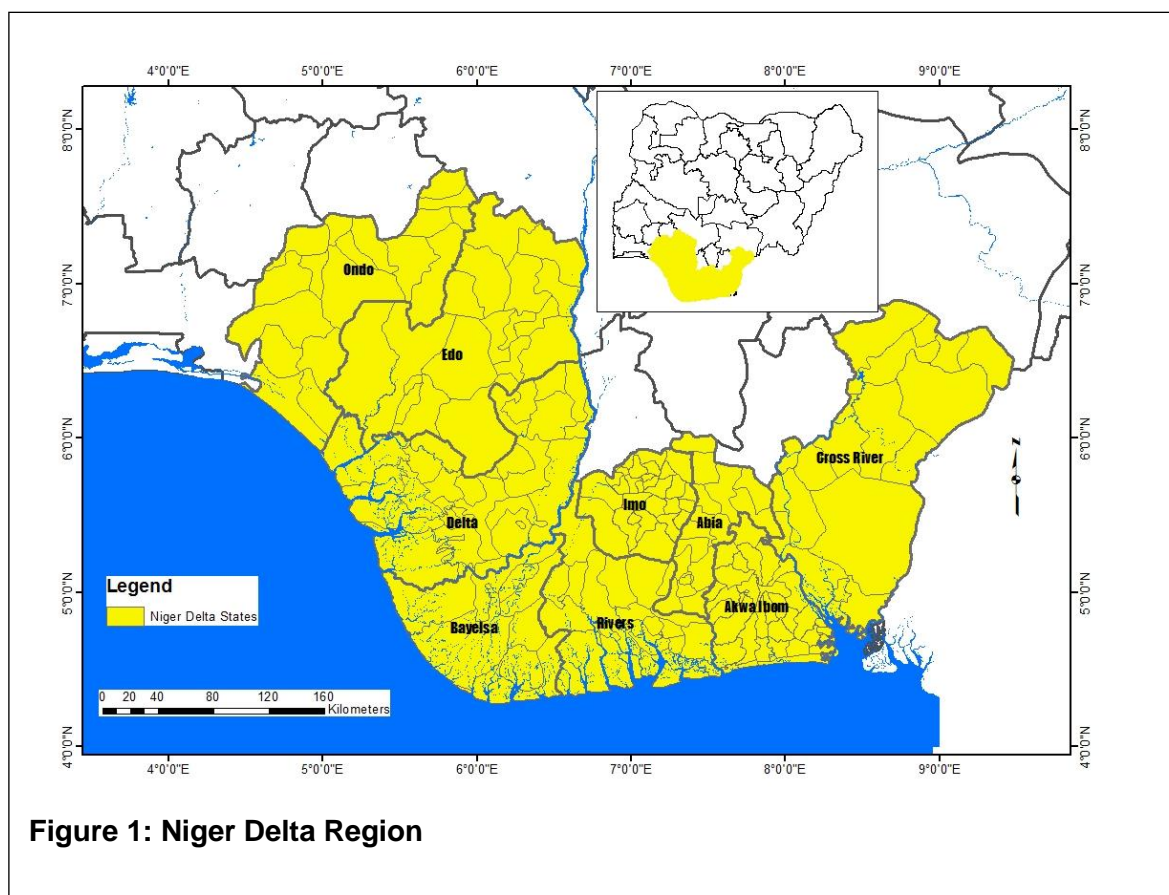


Figure 1: Niger Delta Region

1.1 Socio-Cultural Context

2. **Population:** The combine population for the nine states was 31,267,901 in 2006 consisting of 15,847,359 male (51%) and 15,420,542 (49%) female. The estimated population as at 2011 was 36,515,429 (NBS 2012). Rivers State has the highest population estimated at 6,162,063 in 2011 followed by Delta 4,825,999, Akwa Ibom 4,625,119, Imo 4,609,038, Ondo 4,020,965, Edo 3,700,706, Cross River 3,344,410, Abia 3,256,642 and Bayelsa 1,970,487 in that order. Like the rest of the Nigeria, the NDR consists mainly of very young population with 62% of the population below the age

of 30 years (NDDC Niger Delta Regional Master Plan - NDRMP <http://nddc.gov.ng/masterplan.html>). The combine population density for the NDR is 330.1 person per square kilometer (ppkm²) which is far higher than the average national population density of 201.7ppkm². Imo State has the highest density at 871.6ppkm² followed by Akwa Ibom 670.3, Abia 664.6, Rivers 582.701, Delta 282.1, Ondo 254.2, Bayelsa 217.5, Edo 192.9 and Cross River 153.5 respectively. Table 1 summarizes the basic facts of the NDR.

Table 1: Basic facts about the Niger Delta states

State	No of LGAs	Land Area (km ²)	Population 2006 ²		Population (projected 2011) ²	Density	TFR ³	Public primary school enrolment (2014) ¹		Projected HIV population (2014) ¹	Unemployment rate ²	
			Male	Female				Male	Female		2007	2011
Abia	17	4,900	1,420,298	1,415,082	3,256,642	664.6208	4	100,879	97,600	81,853	25.1	11.2
Akwa Ibom	31	6,900	1,983,202	1,918,849	4,625,119	670.3071	4	448,032	479,062	245,489	18.0	18.4
Bayelsa	8	9,059	874,083	830,432	1,970,487	217.5171	6.7	61,647	61,739	30,858	21.9	23.9
Cross River	18	21,787	1,471,967	1,421,021	3,344,410	153.5048	5.8	101,402	95,538	83,596	32.8	18.2
Delta	25	17,108	2,069,309	2,043,136	4,825,999	282.0902	5.3	187,825	95,538	34,717	22.9	27.2
Edo	18	19,187	1,633,946	1,599,420	3,700,706	192.8757	5.3	170,998	451,984	22,821	14.8	35.2
Imo	27	5,288	1,976,471	1,951,092	4,609,038	871.6033	4.6	718,141	672,039	93,822	28.3	26.1
Ondo	18	15,820	1,745,057	1,715,820	4,020,965	254.1697	3.9	629,257	630,543	49,281	6.7	12.5
Rivers	23	10,575	2,673,026	2,525,690	6,162,063	582.701	4.3	128,438	130,845	121,351	66.4	25.5
Region	185	110,624	15,847,359	15,420,542	36,515,429	330.086	4.87	2,546,619	2,714,888	763,788	26.3	22.0
Nigeria	774	909,890	71,345,488	69,086,302	183,600,000 in 2015 ³	201.7826	5.5	12,145,968	10,983,959	3,070,174	12.7	23.9

¹NBS (2016): Social statistics report 2016. Available at <http://www.nigerianstat.gov.ng/library>. Access 16 March 2017

²NBS (2012): National Bureau of Statistics Annual Abstracts of Statistics 2012. Available at <http://www.nigerianstat.gov.ng/library>. Access 16 March 2017

³NBS 2015 Demographic Statistics Bulletin 2015. Available at <http://www.nigerianstat.gov.ng/library>. Access 16 March 2017

3. According to the NDDC-NDRMP, there are 13,329 settlements in the NDR with about 13,231 of these (99% of the total) falls having less than 20,000 people. Settlements of fewer than 5,000 inhabitants constitute nearly 94% of the total number of settlements and only 98 settlements, that is less than 1% of the settlements, can be truly regarded as urban centres according to their population sizes. Like the rest of Nigeria, the NDR is a growing region with an average total fertility rate (TFR) of 4.8 which is lower than the national average of 5.5. However, Bayelsa and Cross River have a TFR higher than the national average, while Edo and Delta have a TFR higher than the region's average. The other states, Abia, Imo, Akwa Ibom, Ondo and Rivers have a TFR that is lower than the region's average. The total children enrolment into public primary school as at 2014 stood at 5,261,507 (23% of national enrolment) with males accounting for 48% and female 52% (NBS 2016). Imo and Ondo states accounted for the highest public primary school enrolment with over one million children each. Bayelsa, Abia, Cross River and Rivers in that order accounted for the lowest figures. The projected population of HIV population as at 2014 is 763,788, which is 25% of the total national projected population. Akwa Ibom has the highest population of people with HIV of 245,489, while Edo has the least with 22,821 people. The average unemployment rate for the region declined from 26.2% in 2007 to 22% in 2011 (while the national unemployment rate increased from 12.7 to 23.9% within the same period) (NBS, 2012). However, states such as Edo, Ondo and Bayelsa recorded an increase in the unemployment rate within the period, by as much as 20.4% for Edo.

4. **Cultural Diversity:** The very rich culture and heritage of the region is based on the presence of about 40 different ethnic groups speaking 250 dialects (NDDC- NDRMP). The numerous ethnic

groups (often referred to as 'communities') include the Ijaws, Ogonis, Ikwerres, Etches, Ekpeyes, Ogbas, Engennes, Obolos, Isoko, Nembes, Okrikans, Kalabaris, Urhobos, Itsekiris, Igbos, Ika-Igbos, Ndoni, Oron, Ibeno, and Yorubas, Ibibios, Annangs and Efiks. Other groups include Ibibios, Anang, Efiks, Bekwarras, Binis, etc. The heritage of the people is reflected in modes of dressing, marriages, traditional culture and festivals. These ethnic groups have co-existed and peace and harmony for a very long period.

5. **Land:** Land, in relation to the population, is relatively scarce in the NDR especially, especially in the interior coastal mangrove zones that consist of creeks and inlets. As population increases, the pressure on land for all purposes including agriculture increases accordingly. The highest pressure on land is in the coastal mangrove vegetation zone with a population density of 0.46 ha/person followed by the derived savannah zone with 0.49 ha/person (NDDC-NDRMP). Like the rest of the nation, the people of the NDR also face the challenges of access to land. The ownership of land in Nigeria, by virtue of the Land Use Act 1978, is vested in the governor of the state. Only usufruct right is granted to the citizens through certificate of occupancy (in urban area) and statutory or customary right of occupancy (for rural lands). Thus, the governor must assent to this certificate before the 'use rights' on the land becomes legal. The access to land typologies available in the Niger Delta region include individual holdings from family inheritance or purchase from communal or other family land; family land derived from communal holding of the progenitor; communal land owned by the community and customary tenure, where family or community grants a right of occupation of land to another person or group of persons, who are usually strangers or immigrants to live on or farm the land, in return for payment in cash, in kind or both. These land holding typologies are fraught with danger of social exclusion and lack formal titles. Most of the land owned by individuals, families or communities in rural areas have no statutory or customary rights of occupancy. They limit agricultural investment to improve and equip the land, the risk of being pushed-off the land is high, and the land cannot be pledged as collateral for access to credit to improve productivity. Among the Ibo people in Imo and Abia states with a primogeniture inheritance system, the possibility of exclusion of women and youth from access to land is very high. Government has also acquired land for both agriculture and overriding public interests. These lands do have security of tenure, but not for individuals. Access to the land may be cumbersome due to government bureaucracy, and contentious because a community can block access to the land or make life difficult for land users when compensation has not been paid by the government on the land.

6. The land situation in the NDR region especially in the coastal interiors is particularly contentious. By nature, 50% of the lands in the interior Niger Delta is not workable due to the drainage, edaphic and physiographic limitations. Secondly, while the land-use Act of 1978 cemented state ownership of the land, the Petroleum Act of 1969 and other mineral Acts, through the principle of 'eminent domain', placed all minerals and their exploitation in the hands of the federal government. Thus, all the lands in the southern interior including agriculturally productive lands have been parcelled into Oil Prospecting Leases (OPL) (which becomes Oil Mining Leases (OML) once oil has been found on the land). By implication, the so-called 'land owners', i.e. the local communities using the land are only farming the land temporarily. Oil exploration activities on productive lands coupled its externalities including oil spills and ecosystems disruption drive the local population to the margin of survival. This is the root cause of resource conflicts in the Niger Delta. To some extent in the upland areas of the NDR resource conflicts between crop farmers and pastoralists over grazing lands and destruction of crops is becoming more common. This can be traced to climate change, the Boko Haram insurgency in the northeast of Nigeria and the concomitant dislocation of thousands of pastoralists from the region.

1.2 Natural Resources and NRM

7. **Drainage:** The Niger River is the most defining feature of the physical and human environment of the Niger Delta. The river bifurcates into several mouths (estuaries) through which fluvial and marine waters mix and substantial exchange of sediments take place. It defines the physical characteristics, resources, economy, settlement and transportation pattern and culture of the region.

The lower NDR is a low-lying area with a dense network of intricately connected rivers, creeks and lagoons. Land in the lower delta for most part consists of regularly flooded beach ridges and barrier islands (with elevation of 2-4m above the mean sea level). The upper parts of the Niger Delta Region are well drained with highly consolidated soil and marked by lowlands and highlands that range between 600m (in the Yoruba ridges of Ondo state) to above 1,000m (in the Oban and Obudu hills in the northern parts of Cross River state).

8. **Flooding** - The nature of the topography of the NDR renders the coastline susceptible to flooding, especially during high tides. Beach elevation averages at 3m above mean low water. Though the tidal range is low, large areas of the back beach are perpetually wet and water-logged. The NDR also experiences very high rainfall and heavy flood between August and October when the Niger River receives peak discharge. The poor drainage allows storm waters to collect in the hollows and eventually flood large areas within the lower delta region as witnessed in 2011 and 2012. Many settlements have had to move upland many times to escape being washed away by floodwaters. The adverse effects of flooding are more perceptible when stormy conditions coincide with high tides. Whenever storm surges coincide with spring tide, most beaches at a maximum elevation of 3 m above sea level are usually topped by wave resulting in flooding. Flooding effects include *erosion* and shoreline retreat, destruction of crops, low fish catch in natural river channels, and social effects including destruction of household property, forced migration and trader having to stay longer in the market.

9. **Ecosystem:** The Niger Delta region consists of a wetland area, which has been estimated at about 1,794,000 ha consisting of 617,000 ha of saline and 1,177,000 ha of freshwater swampland (NEST, 1991). The region has a rich and diverse mosaic of ecological types consisting of five distinct ecological types. These are: the barrier island and mangrove and coastal vegetation, fresh water swamp forest, lowland rain forest, derived savanna and the montane forest. All the ecosystems are found in gradients from the coast to the hinterland in each of the states with the exception of the montane ecosystems that are localized to the northern part of Cross-River state.

10. **Barrier island and mangrove forest:** A chain of low sandy barrier islands protect the coast of the Niger Delta, between the Benin and Imo estuaries, less than a meter above high-tide level. The dominant vegetation is freshwater swamp forest with occasional small salt marshes, where seawater washes over beaches. The mangrove forests occupy inter-tidal land in a broad zone of tidal creeks behind the barrier islands. Typical mangrove forests in the Delta consist almost entirely of the red mangrove tree with its characteristic stilt or prop roots. The trees grow tallest along creek edges where fresh mud is deposited. The mangrove forest of the NDR, which covers about 9,730km², has been described as the third largest mangrove forest in the world and the largest in Africa (NEST, 1991, SEDEC, 2008).

11. **The fresh water swamp forest zone:** covers approximately 17,000 km² or about half of the lower delta region (NDDC-NDRMP). The swamp forest zone is the region's major source of timber and forest products and contains important areas for rare and endangered wildlife. There is great variation in the ecology and development potential of swamp forest types, depending on hydrological characteristics. The swamp forests, which are subject to the silt-laden 'white water' of the Niger floods, have very high fishery and agricultural potential.

12. **The Lowland Rain Forest Zone:** This zone occupies the non-riverine or 'upland' areas, which flank the delta. The natural rain forest of the area has been largely cleared for agriculture, and the dominant vegetation types are now farm bush, a mosaic of cropped and fallow areas, usually with many oil palms, and plantations, mainly oil palm and rubber. Open farmed areas lead to the entry of invasive grassland or 'savanna' species. Some forest species can survive in old fallow land but most have disappeared due to shorter fallow periods attributable to increasing population.

13. **Derived Savannah Zone:** This is found in the northern parts of the Niger Delta Region. The vegetation type in this zone appears as re-growth after the original rainforest has been cleared for agriculture. It comprises savanna type grasses and shrub, with a few scattered trees. Due to constant human pressure, it is virtually impossible for trees to grow to maturity.

14. **The Montane Zone:** The zone is confined to the north-eastern part of Cross River State around Obudu /Sankwala area. The high-altitude location of the zone - approximately 900m to 1500 m above sea level means that species diversity is not as great as in the other tropical high forests, although floristic diversity is enhanced by the presence of many species of herbs and shrubs. The uniqueness of this ecological zone in terms of its natural resource and biodiversity exclusivity makes it one of the important areas with high eco-tourism potential.

15. **Environmental degradation:** The State of the Nigerian Environment Report (SOER) prepared by SEDEC Associates highlighted the loss of mangrove and other wetland ecosystems as serious environmental degradation in the Niger Delta region especially in Rivers, Bayelsa, Delta, Akwa Ibom and Ondo states due mainly to oil and gas exploration activities. Table 2 summarizes some changes in the wetland ecosystem between 1976 and 1996.

Table 2: Degraded lands in the mangrove swamp ecology

S/N	Ecology	Area_km2 (1976)	Area_km2 (1995)	Change 1976-1995	Percent change	Growth/ decline rate
1	Alluvial	523.61	282.38	-241.23	-46.1	-2.43
2	Forested Freshwater Swamp	18,564.71	16,696.51	-1,868.20	-10.1	-0.53
3	Graminoid/Sedge Freshwater Marsh	5,882.74	1,136.51	-4,746.22	-80.7	-4.25
4	Mangrove Forest	10,157.12	10,067.31	-89.81	-0.9	-0.05
5	Saltmarsh/Tidal Flat	18.84	596.92	578.08	3,067.50	161.45

Source: SEDEC Associate (2008) State of the Nigerian Environment Report

16. The mangrove and forested freshwater environment are being degraded into saltmarsh and tidal flats. As shown in Table 3, out of a total land area of 87,888 km², the total lowland rainforest area is about 22,171km², while only 17,035km² is forest reserves, while 47,000km² has been converted into farmland.

Table 3: Distribution of lowland rain forest in Niger Delta region

State	Land Area (sq. km)	Lowland rain forest area(sq. km)(a)	Forest area converted to farmland etc.(sq. km)(b)	Area of forest reserves(sq. km)
Edo & Delta	38 882.84	5 796.86	14 865.65	3 964.14
Cross River & Akwa Ibom	27 214.15	10 345.33	9 353.18	5 140.64
Imo	11 534.42	479.70	9 328.23	5 140.64
Ondo (and Ekiti)	20 070.00	5 414.07	9 607.83	2 640.65
Rivers & Bayelsa	17 687.51	135.93	3 845.31	150.01
TOTAL	87,888.92	22,171.86	47,000.2	17,035.53

Notes (a) forest mature, mature disturbed, immature, riparian and mosaic mature, disturbed/immature.

(b) Forest areas converted to farmland (excluding swamps, oil palm, and rubber plantations)

Source: Source: Adapted from SEDEC Associate (2008): State of the Nigerian Environment Report

17. Extensive traditional bush fallowing system of cropping has meant that over 60% of the lowland rain forest has been converted to farmlands at different stages of cultivation or regrowth to forest. There are 12 protected and important bird areas (IBA) in the NDR. These include Obudu Plateau, Afi

River Forest Reserve, Okomu national park, Cross River National Park (Oban division) Cross River National Park (Okwango division), and Upper Orashi forest reserve. Others are Biseni forest, Akassa forest, Sunvit Farms (Agenebode Forests), Ebok-Kabbaken swallow root and Itu wetlands. Other protected areas are shown on Table 4 1.

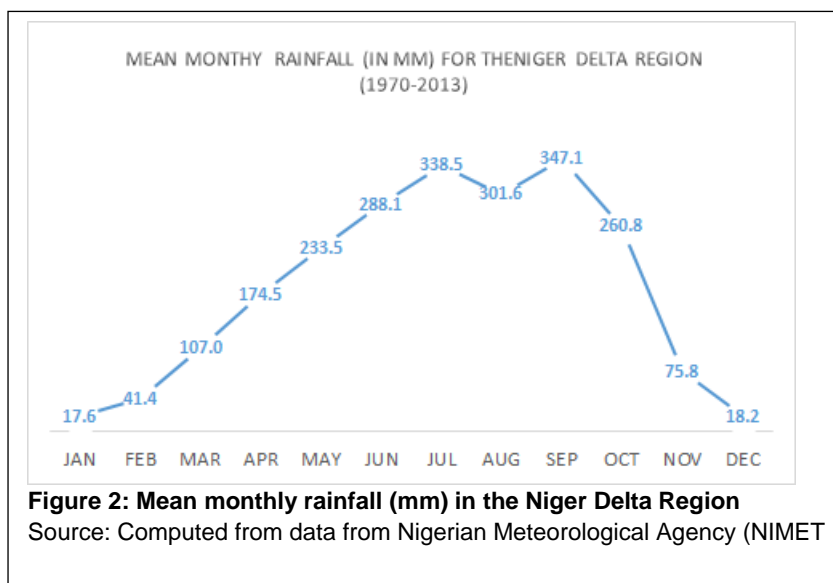
Table 4: Protected area in the Niger Delta regions

Name	State
Cross River National Park	Cross River
Obudu Game Reserve	Cross River
Okomu National Park	Edo
Gilli Game Reserve	Edo
Kwale Game Reserve	Edo
Olosu Game Reserve	Edo
Ologbo Game Reserve	Edo
Iybi-Ada-Obi Game Reserve	Edo
Orle River Game Reserve	Delta
Ologolo-Eriourho Game Reserve	Delta
Ifon Game Reserve	Ondo

1.3 Climate

18. The climate of the NDR varies from the hot equatorial forest type in the southern lowlands to the humid tropical in the northern highlands and the cool montane type in the Obudu plateau area. The wet season is relatively long, lasting between seven and eight months of the year, from March to October.

19. **Rainfall:** The NDR region receives the highest rainfall in Nigeria and this is expected to continue into the future. The onset of the rain is March and it receives a bimodal rainfall peak in July and September respectively (Fig 2).



20. Data from the ten meteorological stations located in the NDR obtained from the Nigerian Meteorological Agency (NIMET) suggest that the mean annual rainfall in the region is around 2198mm. Coastal stations such as Calabar, Warri, Port Harcourt and those in the forest zone including Owerri, Ondo, Ikom, Benin and Uyo receive rainfall that are above the mean rainfall for the region. Stations in the derived Savanna zone, including Akure, Ondo and Ogoja, receive rainfall that are below the average for the region (Fig 3).

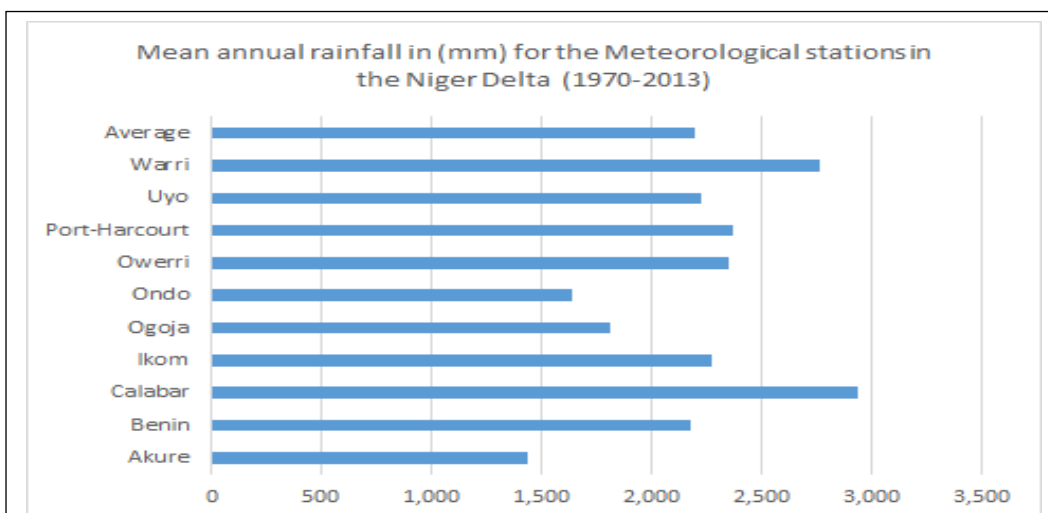


Figure 3: Mean annual rainfall (in mm) for the Niger Delta Region, 1970-2013
 Source: Computed from data from Nigerian Meteorological Agency (NIMET)

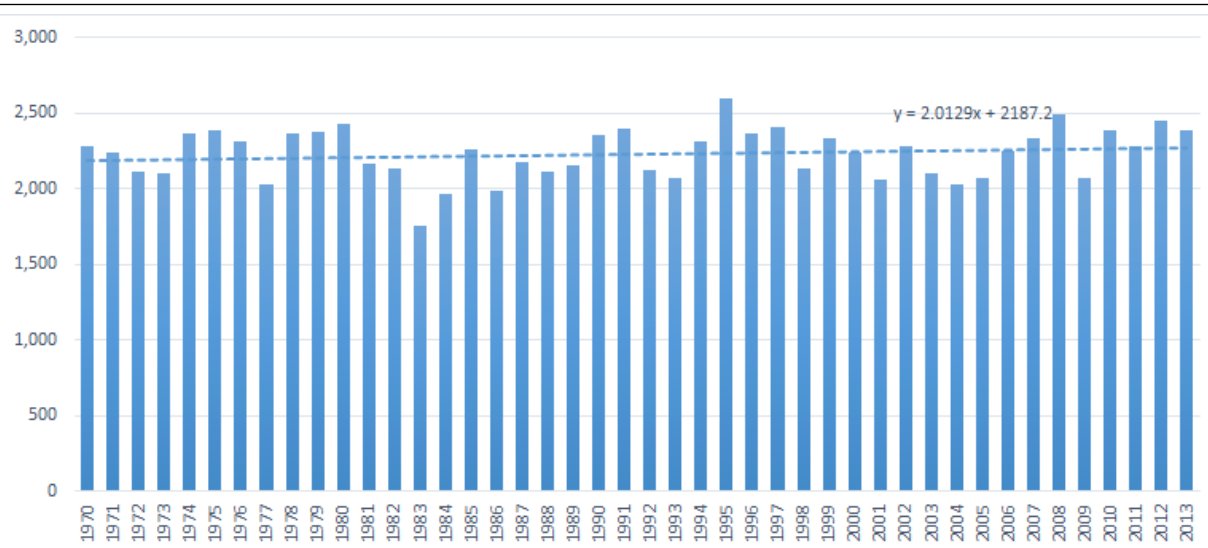
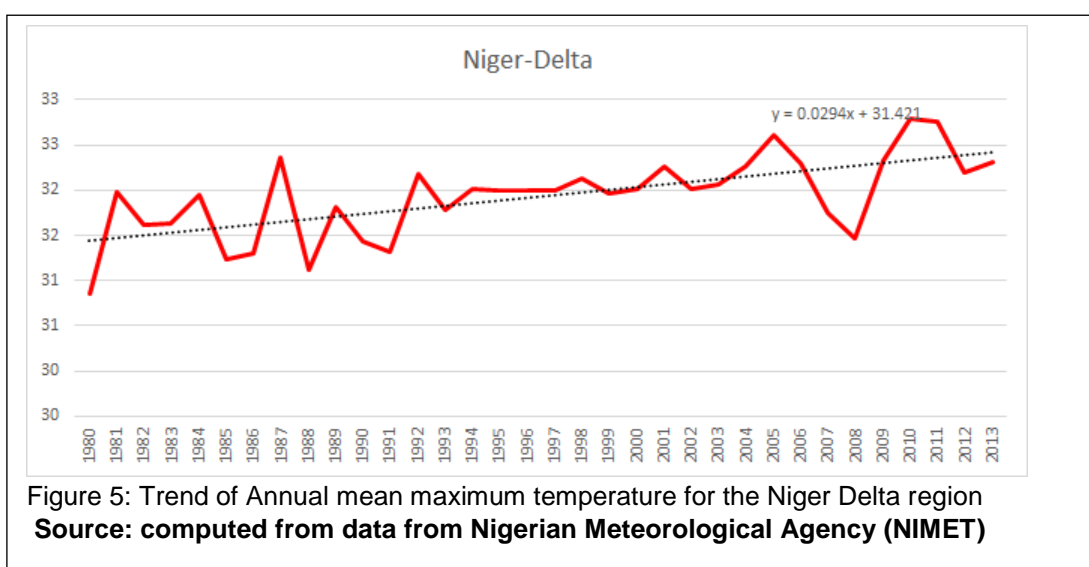


Figure 4: Temporal pattern of rainfall in the Niger Delta Area (1970-2013)
 Source: Computed from data from Nigerian Meteorological Agency (NIMET)

21. The trend of rainfall from 1970 to 2013 shows rainfall in the NDR regions is increasing by about 2mm per annum. This is significant and has both positive and negative impacts. Increasing rainfall has a positive impact on the major staple crops in the region including cassava, vegetables, yam and rice. It also supports tree crops including oil palm, cocoa, and plantain. On the other hand, increased rainfall means increasing flooding with potential to devastate farmlands, fish farms (ponds) and cause wilting of cassava and other crops. The increasing trend in rainfall coupled with the number of days with extreme rainfall (50 mm/day) is projected to increase by 1-2 days over all the agro climatic zones of Nigeria, except over the Savanna zones by the end of the century (FGN, 2014). The projected increase in extreme rainfall events is consistent with what is expected, especially in the coastal regions (where NDR falls). Furthermore, scenarios show an increase of 1-2 weeks in the length of the rainfall season over the mangrove and forest zones by the middle and end of the century. In most cases, the increase in the length of the rainfall season is due to the early onset of rain.

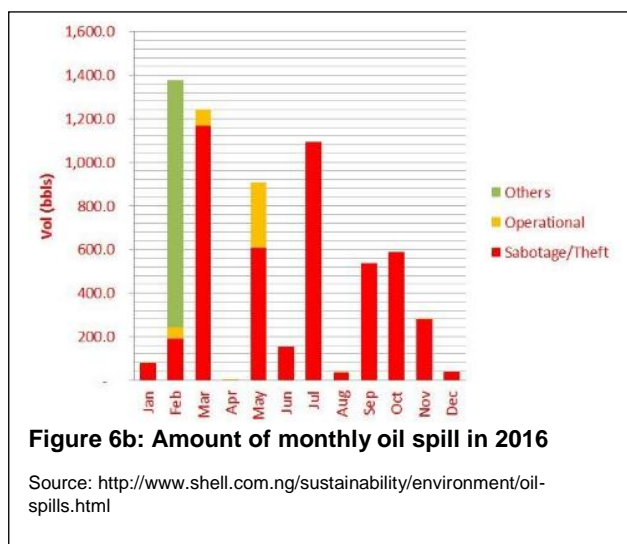
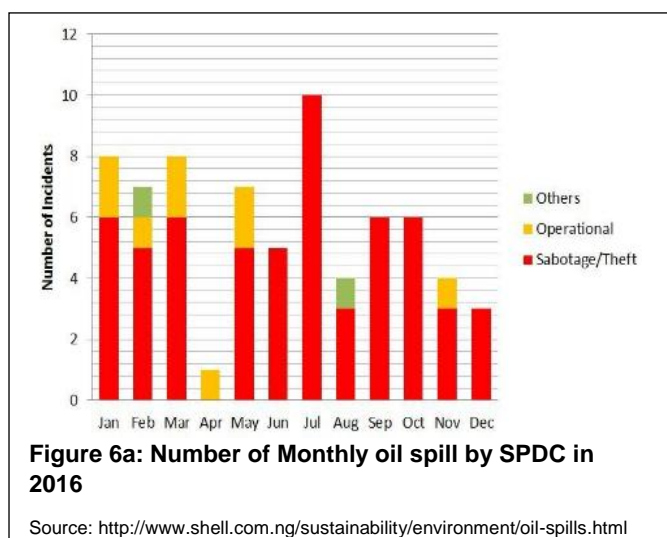
22. **Temperature:** The average temperature in the Niger Delta area is about 27°C. Temperatures are generally high in the region and fairly constant throughout the year. Average monthly maximum temperature range from 31 to 32°C and minimum temperatures vary from 21 to 23°C, increasing northward and westward. The warmest months are February, March and early April. The coolest months are the peak rainy months of June through to September. Temperature has shown general increasing trend which is consistent with the global rise in surface temperature. The NDR has shown a warming trend of about 0.02°C from 1980 to 2013 (Fig 5). This trend is projected to continue into the future as a climate models based on diferent scenarios have projected an increase in future occurrences of extreme temperature over Nigeria. The findings in the various scenarios are that by the middle of the century, the number of days with temperatures greater than 38°C would increase by 3 and 5 days over the Mangrove and Rain Forest zones. In one scenario, the increases would be 7 and 23 days respectively (FGN, 2014). The present net warming trend may not mean much for the LIFE-ND and agriculture in general in the NDR as increased warming may be offset by expected increasing rainfall.



1.3 Key Issues

23. **Oil and gas exploration and oil spills:** Oil is the major non-renewable natural resource of the NDR. The oil sector is the backbone of the Nigerian economy and the production of oil and gas is exclusively domiciled in the NDR. This has exerted tremendous impacts on the fragile ecosystems of the Niger Delta. According to the CBN report, as at 2015, the oil revenue (gross) stood at N3,830.1 billion, (or 4.0 per cent of GDP, a decline of 13.9% in 2011), representing 55.4 per cent of total federally-collected revenue. Despite the decline in crude oil export, it remained dominant, accounting for 78.3 per cent of total exports, while gas export constituted 14.2 per cent. This means the oil sector constitutes 92.5% of Nigeria’s total export in 2015.

24. According to the NDDC-NDRMP document, as at 2004, there are 5,284 oil wells drilled in the NDR and over two-third of these are on land and swamp environment. In addition, there are 257 flow stations for crude processing, over 7,000km of oil and gas pipeline, 10 export terminals, and about 310,000km² of land area within which the network of pipelines are located. Oil and hazardous chemical spills and environmental pollution remain the most formidable environmental threat to the NDR. For example, the National Oil Spill Detection and Response Agency (NOSDRA) record suggest that during the first half of the year 2007, a total of 424 spill incidents involving 33,799 barrels of oil were reported from upstream operations (SEDEC Associates, 2008).



25. Oil spill incidents have become a regular occurrence due to operational reasons and sabotage, theft and willful destruction of oil pipelines as shown in Figures 6a and 6b from Shell Petroleum Development Corporation (SPDC) – the largest oil company operating in the NDR. Known and potential impacts of oil spills in the Niger Delta region, according to NDES (1997) and UNEP (2011), include:

- Mass mortality and or tainting of animals as well as other aquatic resources
- Ground water contamination
- Abandonment of fishing ground and associated livelihood pursuits
- Vegetation desiccation and other forms of ecological damages
- Loss of biodiversity in breeding grounds
- Loss of drinking and industrial water sources
- Reduction of land area available for agriculture
- Loss of recreational facilities and aesthetic values of the environment
- Increased economic burdens of pollution clean-up, population rehabilitation
- Impairment of human health
- Worsened rural underdevelopment, poverty and heightened community embitterment
- Gas flaring
- Pipeline fires
- Youth restiveness and loss of social and cultural cohesion
- Rural poverty
- Emergence of local bourgeois – selective gratification has produced a powerful minority who has become rich at community and environment expense
- Illegal bunkering and refining

26. It should be noted that oil exploration activities are concentrated mainly in the lower coastal zone of the NDR. Thus, people and LGAs located in upland areas especially in states such as Ondo, Edo, Delta, Cross River, Imo and Abia State do not experience as much oil production induced environmental degradation and social dislocation as those in the lower NDR states of Rivers, Bayelsa and Akwa Ibom states. Other non-renewable resources of the Niger Delta include solid mineral, salt, tar sand, glass sand, gravel and clay. Despite the dominance of oil, agriculture remains the highest employer of labour in the Niger Delta region.

27. **Land degradation:** The NDR is one with a lot of activities related to oil exploitation, mining, movement of heavy machinery and other activities, which have a great impact on the soil profile. Among other environmental issues, soil erosion stands out as it affects soil health and food production. In the mangrove region, it is a usual habit to excavate and transport soils for road construction. Due to high rainfall experienced in this region, both illuviation and alluviation has occurred, leading to the loss of essential nutrients needed for crop development. The LIFE-ND project

will therefore adopt measures to prevent and mitigate the occurrence of erosion in flood-prone areas. Isiukwuato and Arochukwu in Abia state are notable areas with a high presence of gully erosion sites. Employing activities based on conservation agriculture will not only minimize the risk but also increase the level of productivity in the affected areas.

28. Greenhouse Gas (GHG) Emissions: Although agriculture contributes only 2.8% of national GHG emissions in the year 2000, the land-use, land-use change and forestry (LULUCF) sector contributes about 40% of Nigeria GHG in 2000. The net CO₂ emissions for the LULUCF sector were derived mostly (97%) from changes in forest and other woody biomass stock. Agricultural intensification is one of the major contributors to deforestation. Gas flaring from the oil fields in the NDR already contributes about 40% of the total emission from the energy sector and 24% of the national emission. This means that the NDR is a significant source of the total GHG emission Nigeria. LIFE will thus ensure this is not increased through unsustainable land practices.

29. Access to land and social exclusion: Access to land is critical to livelihoods in the NDR. The models of land access available in the area include family, communal, customary tenancy and individual (from inheritance) lands. In all, security of tenure remains an issue as most of the lands in the rural areas have no government granted statutory customary rights of occupancy which is the legal document that validates the land and make it tradable in the land market and guarantee security of tenure. Private and communal land access have high possibility of excluding women and youth, particularly in those communities of the Niger Delta region where inheritance is based on primogeniture. In some others, women cannot own land independently of their male partners and youth have very little say in the community affairs (including land) because that is considered the exclusive preserve of the community leaders and elders. As much as possible government land is likely to guarantee more exclusivity to LIFE-ND.

30. Youth aggressiveness, unrest, militancy and resource conflicts: Youth restiveness and agitation resulting from several years of oil and gas exploration and its concomitant damage to the land and environment, neglect in the provision of basic physical and social infrastructure and the hostile living environment remains a formidable challenge in the Niger Delta area. This has led to loss of social and cultural cohesion and the emergence of local bourgeois (through selective gratification which has produced a powerful minority, which has become rich by collecting money from the oil companies at the expense of the community and the environment). It has also imbued some of the youth with a mentality of 'free flow money', which is achievable by causing conflicts and holding the oil companies to ransom. In recent times the agitation assumed a new dimension such as kidnapping and willful blowing-up of oil and gas pipelines in the region. Again, conflicts between the various actors in the land resource space, especially between farmers and pastoralists, is becoming more common in Nigeria generally due to climate change and the humanitarian crisis in the northeastern part of the nation. The NDR is not immune to this as the forest and derived savanna zone of the region are also being invaded by pastoralists fleeing from the north and Middle Belt. This has the potential to precipitate conflagration and more crisis in the Niger Delta.

2. Potential project's social, environmental, and climate change impacts and risks

2.1 Key potential impacts:

31. The key potential impacts of the project are summarized in the Table 5 below:

Risk Domain	Issue	What and How	Risk level	Enterprise chain affected	Extent	Impact
Climate	Rainfall	Rainfall will be place-specific. The lower mangrove swamp and forest zones have been experiencing increasing rainfall and higher storm intensity. Rainfall has been projected to increase into the future. Rainfall has been declining the derived savanna zones in the northern parts of Edo and Ondo states. Onset and cessation dates and length of the rainy season are very critical for crop production.	Moderate	Production	High rainfall in Rivers, Bayelsa, Delta, Akwa Ibom, Cross River, Abia and Imo states. Declining rainfall in northern parts of Edo and Ondo States	Increased rainfall has positive impact on the major staple crops in the project area including cassava, vegetables, yam and Rice production. It also supports tree crops including oil palm, cocoa, and plantain. However, excessive rainfall may lead to flooding which can devastate farmlands, fish farms (ponds) and cause wilting of cassava and other crops. Decreasing rainfall in the derived savanna zone means less water for crops crop production.
Climate	Temperature	All parts of the project area has been experiencing rising in temperature which is consistent with the rise in global temperature. This has been projected to continue into the future	Low	Production	All the states in the project area	Impact of temperature will significantly be crop-specific and to some extent place-specific. Rice production is particularly affected as higher temperature produces sterile flowers and decrease rice yields. Excessive heat may cause drought and reduce water available for crops in the northern parts of Edo and Ondo States. Increase temperature will also increase insect and pest impacts on on-farm and stored products.
Climate	GHG emission	The agriculture and LULUCF sector contributes about 40% of the national GHG emissions in the year 2000. The net CO ₂ emissions for the LULUCF sector were derived mostly (97%) from changes in forest and other woody biomass stock an indication agricultural intensification and deforestation. Gas flaring from the oil fields in the Niger Delta already contributes about 40% of the total emission from the energy sector and 24% of the national emission.	Moderate	Production of some crops - mainly rice; Processing (machines and equipment); Marketing (through transportation)	All States, but mainly in Rice growing enterprises	Rice production and wetland removal will increase GHG emissions thereby contribute to s global warming. Rice paddies cultivation generate CH ₄ emission (which has a very high global warming potential).

Risk Domain	Issue	What and How	Risk level	Enterprise chain affected	Extent	Impact
Environment	Land and soil Degradation - from poor land preparation	Land degradation is already a serious issue in the Niger delta environment due to oil and gas activities resulting in oil spills and pipeline fires which degrade the environment and results in ecosystem and biodiversity losses. Poor land preparation such as slash and burn agriculture increases the risk of land degradation.	Moderate	Production	All States	Opening-up of forests and virgin lands and unsustainable land preparations methods opens the land and soil to erosion and flooding and reduces the climate and soil and nutrient support services of the environment. Soil salinization and destruction of soil engineers (i.e. microorganisms that drive soil replenishment processes) from unsustainable use of agrochemicals.
Environment	Water Pollution	Water pollution is from oil exploration activities is common. Unstainable management of waste and use of agrochemical can compound this problem	Moderate	Production, processing	All states	Unsustainable waste management and use of inorganic fertilizers and agrochemicals will pollute drinking water sources and cause eutrophication.
Environment	Forest and wetland removal	Agricultural intensification and construction/ rehabilitation of rural roads, small scale irrigation and drainage projects, aquaculture (especially on state farms) in wetland and swamp areas can lead to forest and wetland removals	Moderate	production; processing	All states	Unsustainable forest and wetland removal will increase GHG emissions and the risk of flooding and erosion
Environment	Flooding	Flooding is a serious issue in the lower Niger Delta. Barring mass release of water from upstream dams, there are two flooding regimes in the delta i.e. back flood (November to March) and white flood (April to October) which are modulated by the flow of the Niger River	Moderate	Production, processing, marketing	All states,- the Niger Delta basin states – Edo, Delta, Bayelsa and Rivers-are more affected	Increased rainfall and poor land management may lead exacerbate flooding and lead to inundation and devastation of agricultural lands and washing away of fishing ponds. Flooding of processing area and markets
Environment	Erosion and gully	Erosion and gully from heavy rainfall is accentuated by the poorly consolidated sandstone and shale soils in parts of Abia, Imo, Edo and part of Cross River states	Moderate	Production	Edo, Abia, Imo and parts of Cross River states.	Increased rainfall and unsustainable land practices may exacerbate erosion and cause farmlands to be washed away
Environment	Bush and Pipeline fires	Bush burning is rampant across in the forest and derived savanna zone of the Niger delta especially in the dry season. Pipeline fires are also becoming rampant in the lower Delta	High	production, processing	All States	Bush fires from unsustainable land preparation will destroys crops, processing facilities, forests, and the biodiversity. For example, it destroys beehives and scare bees.

Risk Domain	Issue	What and How	Risk level	Enterprise chain affected	Extent	Impact
		due to oil pipeline vandalism				
Environment	Biodiversity loss	Production of cereals and fish attracts birds and may lead to reduction in their population if an excessive force is applied to curtail bird invasion	Low	Production, processing	All states	Cereal cultivation and fish farming attract birds and can lead to depletion of the birds. Fires kill animals and scares birds and bees
Environment	Waste management	Although agricultural waste is generally biodegradable, excessive waste may cause nuisance on land and water	Low	production, processing	All states	waste from rice, cassava, maize and poultry may create a nuisance in the environment
Environment	Use of agro-chemicals	Agrochemicals use to improve crop performance and reduce pest infestation creates environmental externalities in soil and water	Moderate	Production	All states	Excessive use of fertilizers and agrochemicals can potentially pollute water sources and render the produced crop unfit for human consumption
Social	Access to land	Access to land is critical but most lands in rural areas have no title registration. Some models of land access available such as family, communal, customary tenancy and individual are likely to exclude women and youth especially in the Ibo-speaking part of the Niger delta area due to primogeniture and patrilineal inheritance system	Moderate	Production, processing	Imo, Abia and parts of Delta states	The risk of being pushed off land is high, women and youth may not have access to land
Social	Social exclusion	Women and youth are most often marginalized in most community settings where decision making is the prerogative of the elders	Moderate	production, processing	All states	women and youth not adequately represented in decision making process that concerns them
Social	Unsafe and non-healthy working conditions (including use of children labourer	Due to high level of poverty there is the risk of using children labourers in the execution of the production and processing of commodities	Moderate	production, processing	All states	Children may be encourage to work for payment on farms

Risk Domain	Issue	What and How	Risk level	Enterprise chain affected	Extent	Impact
Social	Youth militancy, elite hijack, and resource use conflicts	Youth militancy and aggressiveness is common in the Niger delta area due to poverty. Resource use conflicts between farmers and pastoralists is becoming a common place	Moderate	production, processing, marketing	All states	Youth not admitted into the project by attempt to disturb others from participating fully. Politician may also attempt to hijack and control the selection process. Resource conflicts can lead to crisis and conflagration

2.2 Climate change and adaptation

32. The thrust of climate-smart agriculture entails sustainably increasing agricultural productivity and incomes, adapting and building resilience to climate change, and reducing and/or removing greenhouse gases emissions, where possible. The LIFE-ND project is focused on seven major enterprise commodities value chain which are: cassava, rice, plantain, cocoa, oil palm, aquaculture and poultry. Based on existing government guidelines including the Nigerian Agricultural Promotion Policy 2016-2020, National Agricultural Resilience Framework document, Nigeria's Intended Nationally Determined Contribution (INDC) document, Nigeria's Second National Communication under the UNFCCC (2014), and the Nigerian National Policy on Environment (1998), the climate change adaptation proposed include the following:

33. **Awareness creation, Training, and communication:** Limited awareness of climate issues, and the key changes required to protect agriculture and poor management of land, water, soil nutrients and genetic resources are some of the challenges facing the NDR. Awareness creation, communication and capacity building for all stakeholders – farmers, incubators, communities, service providers, project managers, etc., will be taken very seriously to mainstream climate change into the project execution. Communication and information dissemination to agro-entrepreneur will be a key component of the project. Through trainings and workshops, farmers will be equipped with the knowledge and best practices for climate-smart agriculture and to maintain a safe, secure and environmentally-friendly working environment.

34. **Appropriate selection of crops:** The priority enterprise value chain for each state, local government and communities will be chosen based on their agro-ecological suitabilities and the existing staple crop processing zones found within the country to reduce climate impacts. This will also be based on comparative advantage to reduce the quantity of inorganic additives incorporated into the soil and excessive use of agrochemicals.

35. **No regrets options:** Fish farmers will be encouraged to use nets and minimally open-up channels to prevent excessive flood during heavy rains. Entrepreneur will be advised to adopt no regret strategy including agricultural insurance to mitigate climate impacts. It will also encourage the improvement of cultivation practices and use of organic fertilizers to boost soil fertility. LIFE-ND will discourage unsustainable secondary value chains such as the production of wood charcoal for use in fish kiln. The project will avoid significant negative effects by discouraging opening of virgin forests and wetlands for farming or any enterprises. The project will also support the production of trees crops (especially oil palm) in the forest zone to improve the canopy ecosystems and carbon sink. Agri-entrepreneurs will be advised to avoid lands in designated grazing reserves, and around known grazing routes to avoid resource conflicts. State governments will be advised to set up ranches or designated grazing area for herdsmen and also enforce existing laws on grazing.

36. **Advisory and extension services:** The LLIFE-ND will strengthen institutions like the Agricultural Development Programmes (ADP) to (i) liaise with the meteorological agency to generate critical threshold information (e.g. onset and cessation of the rains, dry spells, likelihood of flooding, length of the growing season, etc.) (ii) Provide advisory services including dissemination of climate information to farmers to guide on-farm activities (iii) provide quality assurance; and (iv) support, monitor and supervise private extension service providers. These extension providers will update farmers with information on improved inputs, good agronomic practices and other skill sets required to improve the farmers' efficiency and productivity.

37. **Soil and water conservation:** In the production of field crops, plant soil relationship will thrive based on the availability and quality of water, nutrient availability, and temperature. Farmers will be sensitized on activities which improve soil health and water retention capacity. The use of different kinds of mulch materials will be encouraged to reduce water loss. They will be encouraged to intercrop the major crops with cover crops as this will improve the water retention capacity of the soil

and will take care of weeds. For enterprises like plantain production and oil palm, minimum tillage will be encouraged.

38. **Good Agricultural Practices (GAP):** From land preparation to harvest and storage, the farmer will be trained and kept informed by extension service providers on use of improved input and methods for cultural practices. The use of GAP will reduce the incidence where uninformed farmers apply any kind of inorganic fertilizer at any rate. With the increase in production of these enterprises, there will be an increase in the availability of organic manure to be used as amendments. Farmers will be educated on the need to use sustainable land development and preparation methods including zero or minimum tillage. LIFE-ND will train farmers to drain rice paddies in mid-season to reduce CH₄ emission and improve nutrient management including the retention of rice residues. Farmers will also be encouraged use clean energy sources for processing.

39. **Agrochemicals and waste management:** adequate training will be conducted to sensitize farmers on the proper usage of herbicides, fungicides, pesticides and inorganic fertilizers. The use of personal protective equipment will be encouraged to keep the farmers safe from their interactions with agrochemicals. Value chain businesses will be created by training youth and women in integrated pest and agrochemical management services in order to convert the risks of agrochemical management into opportunity and to maximize job output and minimize the associated risks from pesticides and agrochemicals application. Youth and women will also be trained in the conversion of farm waste and crop residue to animal, poultry and fish feeds to mainstream integrated agriculture and create more jobs.

3. Environmental and Social Category

40. Based on IFAD guidelines on the Social, Environmental and Climate Assessment, the Environment and Social risk category for the project is **B**.

41. The project is a natural resources-based value chain development which may include development of agro-processing facilities. The environmental impacts are going to be substantially place-based and commodity-specific across enterprise clusters and communities around the NDR and most of them are readily remedied by appropriate preventive actions and/or mitigation measures already proposed. The project activities may include minimal rehabilitation of rural farm roads but not in protected or sensitive areas and will not entail the total area being cleared of above 100 ha. As much as a significant part of the lower Niger Delta area is wetland, the project will discourage opening up of wetlands, forest and virgin lands for agribusinesses. There is very low risk of impacting physical and cultural resources and the regulation against opening lands in protected areas will be enforced. The project has minimal risk of causing land degradation through unsustainable land preparation and management practices which will be mitigated through awareness and training on sustainable land practices. Moderate risk impact of surface water resources from use of agrochemical and pesticides is also expected which will be mitigated by encouraging use of biodegradable farm manure and creation of sustainable value chain in pesticides and agrochemicals management to provide service to the farmers. No economic displacement of marginal or indigenous population is envisaged.

42. The communities are the second level beneficiaries of the project after the incubatees/incubators. In addition to government land, access to land will also depend on the community's free-consent release of land for the project to the youth and women (who are also members of the community). No impact on the use rights of land by the community is envisaged. No unsustainable natural resources management such as fisheries, forestry and significant increase in use of agrochemicals that exceed the carrying capacity of the ecosystem is envisaged. Fish farming and aquaculture business will be on hand-stocked pond. The project will not significantly increase the risk of erosion and flooding. Generally, the project will involve land use changes (agricultural intensification and/or expansion of the cropping area) and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods in non-sensitive areas. A minimal increase in the use of agrochemicals is envisaged. Small dams and water impoundment in non-sensitive and wetland area may be constructed to complement rainfall to ensure all-year round cropping for some crops.

43. An **Environmental and Social Analysis to develop an Environmental and Social Management Plan (ESMP)** is required and to be undertaken during project preparation or implementation.

4. Climate risk category

44. Based the IFAD guidelines on the Social, Environmental and Climate Assessment, the Climate Risk Category for the Project is **MODERATE**.

45. The major climate risks for the project are rainfall, temperature and the possibility of some crops and activities contributing to GHG emissions. The impacts will be substantially place-based and enterprise-specific across the NDR. The lower area of the NDR is low-lying and subject to flooding caused by the flow regimes of the Niger River and its very large basin. NDR is not subject to tropical storms. Late onset and early cessation of the rains may affect crops in the derived savanna zone in the upper parts of the NDR. Heat waves are uncommon and not likely. Future climate scenarios for the project area foresee increase in both temperature and rainfall which will increase flooding and rainfall reduction in the derived savanna zone. However, this is not likely to adversely affect LIFE-ND project's impact, sustainability and cost over the six-year lifetime. As much as possible location of agribusiness in marginal and highly degraded areas such as location experiencing erosion and mass wasting and floodplains will be minimized.

46. The project target group (youth and women) entirely dependent on natural resources (such as seasonal crops, rain-fed agricultural plots. Aside from flooding, extreme weather and weather related losses and damage in the past in NDR has been very low. However, climate variability is projected to affect agricultural productivity (especially crops) and the associated incidence of pests and diseases. Weather-related risks including dry spells and floods may also adversely impact upon key stages of identified value chains in the project (from production to markets). Investment in institutional development and capacity building for rural institutions (such as farmer groups, cooperatives) will be a key issue in this project to strengthen climate-resilient development, indigenous climate risk management capabilities, and adopt green technologies such as creating value chains in integrated pesticide and agrochemical management and conversion of farm wastes to animal/poultry feeds. Policy dialogue is also being introduced to mainstream climate resilience in the agricultural sector.

47. A **Basic Climate Risk Analysis** is required and to undertake during project preparation or implementation.

5. Recommended features of project design and implementation

48. The thrust of the SECAP in the PDR is to mainstream Climate Change and Sustainable Environmental Practices into the LIFE-ND Project as one the enabling environment to provide sustainable, climate-resilient, economic and financial inclusion of youth in profitable agribusiness as indicated in the COSOP.

49. The pillars of climate and environmental mainstreaming in the PDR are:

Component 2: Strengthening Institutional and Regulatory Framework for Agribusiness

Subcomponent 2.2: Policy dialogue Support

Outcome 2.2: Improve regulatory framework for agribusiness

Output 2.2.3. Improved environmental/safety protection for agri-enterprises

50. Activity proposed:

1. Environmental and social analysis and climate risk analysis of commodity clusters and preparation of Environmental and Social Management Plan (ESMP) and Basic Climate Risk Analysis
2. Develop crop agro-ecological suitability map
3. Create awareness by:
 - a. Sensitizing the farmers on the need to adopt environment and climate-smart practices in all aspects of the enterprise including undertaken no-regret measures including agricultural insurance
 - b. Sensitizing on opportunities for value chain in environmental mitigation practices e.g. creating jobs in converting agric waste to poultry feeds, poultry waste to fish feeds, etc.; and youth entrepreneur in integrated pesticide and agrochemical management
 - c. Sensitizing the project managers on the need to improve agricultural resilience by selecting crops that are naturally adapted to agro-ecological suitability; discourage production and processing enterprises that open-up virgin lands/forest/wetlands; discourage secondary unsustainable environmental value chains e.g. the use of charcoal for fish drying in kiln
4. Strengthen institution to:
 - a. Improve the collaboration between ADP and Nigerian Meteorological Agency
 - b. Improve the capacity of the states' environmental agencies to carry out environmental assessment and monitoring.
5. Build capacity by:
 - a. Training intended entrepreneur on waste valorization and integrated pest and agrochemicals management
 - b. Strengthening the capacity of the Nigerian meteorological agency to generate climate information
 - c. Strengthening the capacity of ADP/extension workers to perform climate services – including timely dissemination of climate information to farmers and update farmers on best practices
 - d. Developing manual/modules for environmental training on sustainable agricultural enterprise based on state peculiarities
6. Carry out M&E through:
 - a. Generation of baseline information for all the specific project locations/clusters using GPS, Remote Sensing and field surveys during project inception
 - b. Developing environmental information system within a GIS to monitor the project locations/clusters during the project life cycle

6. Analysis of alternatives

51. Environment and climate change mainstreaming in agriculture to build resilient, climate-smart and environment-friendly agriculture is a key government policy intention well captured in the Federal Government documents including: the Nigerian National Policy on Environment (1999), Nigerian Agricultural Promotion Policy 2016-2020, National Agricultural Resilience Framework, Nigeria's Second National Communication under the UNFCCC submitted in 2014, and Nigeria's Intended Nationally Determined Contribution (INDC) to GHG Emission Reduction Targets submitted to the UNFCCC in COP 21 in Paris in 2016 and adopted in COP 22 in Marrakech in 2016. The LIFE-ND will move in this direction of mainstreaming environment and climate change into the project planning and implementation. No alternative is required.

7. Institutional analysis

52. The supervision of the environmental, social and climate change component of this project will be done by a Climate and Environmental Specialist at regional level. He will be assisted by a Sustainable Agriculture/Climate and Environmental Officer at the state level. He/she will be responsible to the Regional Programme coordinator. He/she will be responsible for the overall management of activities related to mainstreaming climate change adaptation measures and sustainable environmental practices into the production, processing and marketing of commodities across value chain clusters. He/she will carry out the environmental and social analysis and climate risk analysis and develop environmental and social management plan (ESMP) and basic climate risk analysis to guide the project. He will also develop agro-ecological suitability map for the states. He/she will carry out assessment and identification of negative impacts and opportunities for green

growth in commodities clusters and value chain. He/she will also ensure that recommended mitigation and adaptation measures (including no-regret measures) are adhered to and implement opportunities for green growth along the value chains and ensure overall environmental sustainability of the project. He will also work closely with climate data generating agency and the extension agency to make sure climate information is produced and delivered to farmers promptly to guide scheduling of on-farm activities. He will develop training schedules and manuals for capacity building purposes for related institutions, communities and farmer groups on climate change and environment. (See appendix the TOR for the Regional Climate and Environment Specialist).

53. The Sustainable Agriculture/Climate and Environmental Officer at the state level will have the dual role and will report to both the Climate and Environment Specialist and Sustainable Agriculture Specialist. He will coordinate the delivery of all climate and environmental activities at local/cluster levels.

54. Awareness and capacity building:

1. General sensitization and awareness campaign to sensitizing the farmers on the need to (i) understand past and present climate trends and pattern (ii) integrating and up-scaling local adaptation knowledge (iii) adopt environment and climate-smart practices in all aspects of the agri-enterprises (iv) undertake no-regret measures including agricultural insurance (v) identify opportunities for value chain in environmental mitigation practices.

2. Sensitizing the project managers on (i) the need to improve agricultural resilience by selecting crops that naturally adapted to agro-ecological suitability (ii) discourage production and processing enterprises that open-up virgin lands/forest/wetlands (iii) discourage secondary value chain unsuitable enterprises

3. Training on waste valorization and integrated pest and agrochemicals management

8. Monitoring and evaluation

55. The M&E will enable the gauging of the progress on how much resources are translating into actual adaptation and impact reduction by enterprise clusters across space. The M&E components include:

56. Generating baseline data and developing environmental information: Every bit of data about the land, water, soil, vegetation, climate, human settlement, human activity and livelihood, infrastructure, economic, social and cultural resources, sensitive ecosystems, etc. is important. These data will be generated/sourced, processed, integrated and stored within a GIS-based environmental information database for easy interrogation and updates. To reduce the initial cost of developing the GIS data for EIS, data will be sourced from project partners including Federal Ministry of Agriculture (National Land Resources Development agency), Ministry of Environment, NDDC and the States.

57. Capacity building: Although the LIFE-ND information system will be managed by the Climate and Environmental specialist, technical and human capacity for field data collection and GIS input and analysis needs to be developed across the States to ensure regular data collection and updates.

58. Regular field updates: Updates will be based on field data (attached to location) and collected regularly around the sites where enterprises are located to ensure compliance monitoring.

The TOR

- Access, acquisition, integration and harmonization of baseline data
- Acquisition, installation, and test run of GIS hardware and software
- Training of state Sustainable Agriculture/Climate and Environmental Officers
- Collection and reporting of field data to update the information systems

- Report generation to guide field supervision activities

9. Further information required to complete screening, if any

59. No further information is required for the SECAP Screening

10. Budgetary resources and schedule

60. Budgetary resources requirement for the SECAP activities are reflected in the PDR cost components. The cost is computed based on the following:

Activity	Detailed input/Item of expenditure (can be more than one per activity)
Environmental and climate assessment of clusters	Carrying out Climate Analysis
	Carrying out Environmental Analysis
	Preparation of Environmental and Social Management Plan (ESMP)
	Preparation of Basic Climate Risk Analysis
Develop crop agro-ecological suitability maps	Produce Agro-ecological suitability map for the States
Awareness creation	Training/workshop for farmers
	Training/workshop project managers
Strengthening institutions	Strengthening the linkage with the Meteorological Agency to generate and process farm-related climate information
	Support ADP to establish mini climate station in each of the participating LGA
Capacity building	Training of would-be entrepreneur in waste valorization and integrated pesticide and agrochemical management
	Development of Training modules/manuals
M&E	Integration of baseline Data
	Acquisition of equipment and Software for converting and storing baseline data in EIS
	Training in EIS management
	Field updates and incidentals

11. Record of consultations with beneficiaries, civil society, general public etc.

61. This SECAP review note has been developed based on the followings:

- (i) Consultations through stakeholders' workshop in Port Harcourt, Rivers State on 9th and 10th of March 2017. Stakeholders in attendance include:
 - National and state project officers, apex community representatives, staff and youth champions of the CBNRMP from the 9 states of the Niger Delta
 - Members from the agricultural establishments (International Institute for Tropical Agriculture, African Rice, Harvest Plus)
 - Federal Ministry of Agriculture and Rural Development
 - Niger Delta Development Commission (NDDC)
 - Civil Society Organization (National Association of Nigeria Traders – NANTS)
- (ii) Field consultation and observation in Bayelsa and Edo States on 13th and 14th March 2017 meeting with:
 - Government officials
 - Agricultural Development Programme officials
 - Agri-entrepreneurs

References

- National Bureau of Statistics (2016): Social Statistics 2016. Available at <http://www.nigerianstat.gov.ng/library>. Access 16 March 2017.
- NBS 2015: Demographic Statistics Bulletin 2015. Available at <http://www.nigerianstat.gov.ng/library>. Access 16 Arch 2017.
- IFAD 2016: Country Programme Evaluation, Available at <https://www.ifad.org/evaluation/reports/cpe/tags/nigeria/y2016/28783961>.
- NBS (2012): National Bureau of Statistics Annual Abstracts of Statistics 2012. <http://www.nigerianstat.gov.ng/library>
- CBN (2015): Central Bank of Nigeria Draft Annual Report 2015. Available at <https://www.cbn.gov.ng/Documents/cbnannualreports.asp>.
- The World Bank (2016): World Development Indicators: Nigeria Available online at <http://data.worldbank.org/country/Nigeria> [10th November, 2016].
- United Nations (2016) World Statistic Pocketbook. New York: United Nations Publication. eISBN: 978-92-1-058230-8.
- IFAD, <https://www.ruralpovertyportal.org/country/statistics/tags/Nigeria>.
- NBS (2015): Demographic Statistics Bulletin 2015. Available at <http://www.nigerianstat.gov.ng/library>. Access 16 Arch 2017
- NEST (1991): Nigeria's Threatened Environment – A National Profile. Nigerian Environmental Study Action Team, Ibadan, 288pp
- SEDEC Associates (2008): State of the Nigerian Environment Report. Federal Ministry of Environment and UNDP.
- United Nations Environment Programme (2011): Environmental assessment of Ogoniland. UNEP, Nairobi. ISBN: 978-92-807-3130-9.
- NDES (1997): Niger Delta Environmental Survey Phase 1 Report, Vol 1- Environment and Socio-Economic Characteristics, ERML (1997).
- Nigerian Meteorological Agency (2014): 2014 Seasonal Rainfall Prediction. NIMET, Abuja.
- Federal Republic of Nigeria (1999): Revised National Policy on the Environment. Federal Environmental Protection Agency. Retrieved from www.unccd.int/actionprogrammes/africa/national/2001/nigeria-eng.pdf. Last accessed 15 August 2015
- Federal Government of Nigeria (2014): Nigeria's Second National Communication under The United Nations Framework Convention on Climate Change. The Federal Ministry of Environment of the Federal Republic of Nigeria Abuja. Retrieved from www.unfccc.int/resource/docs/natc/nganc2.pdf . Accessed 15 March 2017.
- Federal Government of Nigeria (*): http://www4.unfccc.int/submissions/INDC/Published%20Documents/Nigeria/1/Approved%20Nigeria's%20INDC_271115.pdf . Accessed 15 March 2017

Appendix 15: Youth and women models

1. Introduction

The Youth and Women models will enhance the economic empowerment of youth and women, create more jobs and contribute to greater gender equality, as well as facilitate the economic development of the region. The empowerment of women and youth will increase their sense of self-worth, respect and dignity, with ability to make their own choices and decisions, as well as determine financial and economic choices.

2. Triggers

The following are responsible for the marginalization of youth and women in Nigeria:

- i. Despite the high population percentage of women and youths in Nigeria, they can be said to be marginalized politically, economically and otherwise. Consequently unemployment, poverty (64% NBS 2010) and frustration leading to various social vices –
- ii. In most cases youth and women are not involved in decision making at community level
- iii. Early marriage is common among girls in some communities; hence access to education is limited.
- iv. Although women contribute over 60% of the labour in agriculture, access to productive Resource such as Lands and capital is limited. The land are usually owned by either the families or communities, hence land tenure system is discriminatory against women and youth.

3. Factors common to youth and women empowerment models

Nigeria is currently facing an alarming growth in unemployment, particularly amongst the youth. In the last ten years, about 20 million youths have entered into the country's labour market and a substantial percentage of them have not secured decent employment. As a result, youth unemployment doubled in five years from 12.7 percent in 2006 to 23.9 percent in 2011. Arising from this, Government at various levels (Federal, State and Local Government) had initiated various youth and women empowerment programmes with a view to generate employment, increase income and reduce poverty. The success recorded in some youth and women empowerment could be attributed to the following factors:

- i. Awareness creation/sensitization
- ii. Capacity Building utilizing Specialized Institutions and Vocational Training Centres
- iii. Utilization of Established Agricultural Enterprise for mentoring after capacity building
- iv. Provision of Starter Packs (equipment and agricultural inputs) to the trainees to enable them establish their agribusinesses
- v. Trainees are usually organized into groups along commodity line to enable them have access to financial services, inputs, advisory services and market linkages. This has been found to stimulate group cohesion, knowledge sharing including technical and financial sustainability of the group. Some good examples are the Women Cooperatives under the Growing Girls and Women in Nigeria (GWIN) programme and Youth Cooperatives under Youth and Women in Agribusiness Investment Programme of the Federal Ministry of Agriculture and Rural Development and also the Commodity Apex Development Association (CADA) of the completed IFAD/NDDC assisted CBNRMP.

4. Youth and women enterprise models

There are five major group models as listed below:

- I. Individual enterprise ownership model
- II. Incubator/cluster delivery model
- III. Youth in Agriculture Foundation

- IV. Group enterprise ownership model
- V. Growing Girls and Women in Nigeria (GWIN) Model

4.1. Individual enterprise ownership model

The use of individual based group enterprise ownership model invigorates interest among Niger Delta youths and women in agriculture. It promotes ownership of enterprises and self-fulfillment. This model in fish enterprise gave rise to a total of 62 groups, 6345 fish farmers (40% are youths) and 14,590 ponds. Each fish farmer has his/her own pond(s) ranging between 1-10 ponds each containing 1,000 fishes and netting over N1million per annum. In the individual enterprise ownership, the selected youth or woman is trained for a period upwards of one week depending on the enterprise by the service provider. The service provider could be an individual, an incubation centre, public or private entity. The ownership of an enterprise starts from the training as the individual is also expected to practice with their own enterprise.

4.2 Incubator/cluster delivery model

Champion/mentor agri-enterprises that serve as agribusiness incubation centres for youths, Skill development, mentorship, knowledge sharing, job creation, service provision, replication and up-scaling of successes. The incubator is expected to train and mentor 10 persons at a cycle. There will be a working agreement signed between the incubator and the incubatee to ensure harmonious working relationship and adherence to laid down regulations. Funds will be provided for the incubation centres for the training and mentorship. At the end of the cycle the capital investment is retain by the centre for the training of another set of incubates while the profit arising from the investment will be share at a ratio of 40:60 between the incubator (40%) and the incubatee (60%). This 60 % acts as initial investment cost to the incubatee on disengagement to individual enterprise ownership model.

4.3 Youth in Agriculture Foundation

Youth in Agriculture Foundation - an initiative of CBNRMP. It is a network of agro-enterprising youths across the 9-states of Niger Delta. Founded on 14th May 2013. This provides a viable platform for promoting youth's interest in agribusiness, knowledge sharing, a platform for peer review among youth agro-entrepreneurs, creates employment with a view to eradicate poverty among youths, a voice for youth in Agriculture. Promotes and supports youth innovators who are creating sustainable enterprises. The platform can also leverage grant of credit from financial institutions such as Bank of Agriculture (BOA). Members can provide training and mentor other members. Each youth beneficiary is a member of the Youth in Agriculture Foundation. It also works towards creating a more positive enabling environment through engagement in policy dialogue with Government regarding agriculture and make requests from Government and other Institutions on matters affecting their agribusiness.

4.4 Group enterprise ownership model

This stimulates engagement with little capital and group cohesion. Groups have common access to inputs at moderate costs. This group transit into cooperatives. Women Cooperative groups make joint efforts to transport goods to market goods and leverage input. Membership of each cooperative group should not be less than 10 or more than 15. The members can easily cross guarantee one another in order to obtain easy access to credit. Repayments of credits are facilitated by the group. A good percentage of the women prefer group working in groups.

4.5 Growing Girls and Women in Nigeria (GWIN) Model

4.5.1 The GWIN programme is intended to reach resource poor hard-to-reach women especially in the rural areas to engage and empower them in various agricultural value chains. The pilot phase started with 50 women cooperatives with over 1000 members from 36 States and FCT. The programme conducted capacity building in enterprise management, entrepreneurship, group dynamics, marketing, e.t.c. for the beneficiaries. At the capacity building and mentorship, they were provided with equipment and relevant inputs to establish small scale agribusinesses

involving different enterprises in rice, cassava, (accha/fonio), groundnut, aquaculture and poultry value chains.

4.5.2 The Niger Delta State beneficiaries in this programme and the enterprise they were empowered on are:

- | | |
|----------------------|---------------------------------------|
| a. Bayelsa State | Rice processing and packaging |
| b. Ondo State | Rice processing and packaging |
| c. Edo State | Cassava processing and packaging |
| d. Imo State | Cassava processing and packaging |
| e. Abia State | Cassava processing and packaging |
| f. Cross River State | Poultry production and marketing |
| g. Delta State | Poultry production and marketing |
| h. Akwa Ibom State | Aquaculture production and processing |
| i. Rivers State | Aquaculture production and processing |

4.5.3 Arising from the success recorded, there is high demand to expand the programme to cover more beneficiaries.

5. In conclusion it is obvious that all the models are relevant to the youth and women in their journey to generate income, create jobs, create wealth and maintain a sustainable agricultural environment.

Appendix 16: Participating state selection

MINUTES OF MEETING: STATES SELECTION FOR THE PROPOSED IFAD-ASSISTED LIFE PROJECT IN THE NIGER-DELTA STATES

DATE: March 7th, 2017

ATTENDANCE:

Keke Bongos-Ikwue –	(FMARD/Consultant/ Coordinator LIFE)
Vera Onyeaka –	(IFAD/VCDP)
Sugrah Mahmood –	(FMARD – FDAE - Gender & Youth)
Sola Oyebanji -	(IFAD/NPFS/FMARD)



The Design Team constituted a Committee comprising the above named persons to select the States that will be financed by IFAD Loan proceeds. The selection was guided by the level of participation and performance of the 9 Niger-Delta States in the recently completed IFAD-funded CBNRMP.

GUIDANCE FOR THE SELECTION PROCESS

The following were considered:

- Gender-sensitive issues in the Southern part of the country
- Sustainable agriculture play in ensuring a project's vision and mission is actualized
- Improved communication linkages between all stakeholders and beneficiaries
- Poverty levels as it affects women, youths and men
- Access to productive inputs needed to identify farmers productivity
- Provision of appropriate technology as it affects the different States involved
- Participation of State Governments and how it affects the project
- Linking release of IFAD funds to counter-part funds (IFAD only releases funds when counter-part funds is made available first)

KEY FINDINGS AND CONCLUSION:

Based on the data presented by the Staff of the former project and past supervision mission reports, the following key deductions were made:

- ONDO emerged 1st on the ranking on the basis of contributions to counter-part fund from the year 2006-2015 with N360,000,000 and 84% achievement on project target
- CROSS RIVER emerged 2nd in ranking on the basis of contributions to counter-part fund from the year 2006-2015 with N199,000,000 and 83% achievement on project target
- EDO emerged 3rd in ranking on the basis of contributions to counter-part fund from the year 2006-2015 with N161,200,000 and 67% achievement on project target
- ABIA emerged 4th in ranking on the basis of contributions to counter-part fund from the year 2006-2015 with N146,158,000 and 67% achievement on project target
- DELTA emerged 5th in ranking on the basis of contributions of counter-part fund from the year 2006-2015 with N102,200,000 and 77% achievement on project target
- BAYELSA emerged 6th in ranking on the basis of contributions to counter-part fund from year 2006-2015 with N98,363,000 and 65% achievement on project target
- AKWA IBOM emerged 7th in ranking on the basis of contributions to counter-part fund from year 2006-2015 with N96,000,000 and 65% achievement on project target

- RIVERS emerged 8th in ranking on the basis of contributions to counter-part fund from year 2006-2015 with N58,000,000 and 55% achievement on project target
- IMO emerged 9th in ranking on the basis of contributions to counter-part fund from year 2006-2015 with N16,000,000 and 68% achievement on project target

RECOMMENDATIONS:

Based on the ranking as seen above, the Committee selected the following States for financing by IFAD.

- 1) ABIA
- 2) BAYELSA
- 3) CROSS-RIVER
- 4) DELTA
- 5) EDO
- 6) ONDO

The remaining 3 States (Akwa Ibom, Imo and Rivers) will be financed by the NDDC financial contribution.

Appendix 17: Nutrition mainstreaming in LIFE-ND

1. Introduction

Livelihood Improvement Family Enterprises Project (LIFE) is initiated by the FMARD for implementation in the Niger-Delta states. The project aims to increase income and employment for rural youth and women through profitable agri-enterprises. This project will contribute to the four pillars of the national agricultural policy (the Green Alternative 2015) of food security, job creation, import substitution, and economic diversification; and the objectives of the youth and gender policies of reduced discrimination, increased inclusion, and promotion of access to resources, infrastructure, training and finance. The project interventions will give consideration to gender equality and women's empowerment, nutrition and climate change adaptation in the implementation at project locations. The Project location- the Niger Delta is Africa's largest mangrove forest area in the world. It comprised of nine states (Abia, Akwa-Ibom, Bayelsa, Cross-River, Delta, Edo, Imo, Ondo and Rivers) enriched with enormous natural and human endowments, and rich agricultural heritage. The Niger Delta region has the largest concentration of forest, tree crop resources and biodiversity in Nigeria. Also it commands a significant position in the country's production of vegetable, fruit, root and tuber crops and aquatic resources. Aquaculture is the fastest growing non-oil sector in the Niger Delta.

2. National policy, strategies and action plans on nutrition

Nigeria is among the 59 countries leading the global movement to end malnutrition in all its forms through the scaling up nutrition (SUN) Movement. The Nutrition and Food Safety Division, Federal Department of Agriculture in the Federal Ministry of Agriculture & Rural Development (FMARD), Abuja is responsible for convening various sectors and stakeholders on nutrition issues. Given the crosscutting nature of nutrition, the National Plan of Action on Food and Nutrition (NPAN) integrates several ministries. A multi-sectoral National Committee on Food and Nutrition (NCFN) is chaired and facilitated by the National Planning Commission. The NCFN is replicated at the sub-national level as the State Committee on Food and Nutrition. The role of nutrition in Nigeria had been recognised as a development issue and malnutrition is being addressed with the recognition of nutrition in the National Health Strategic Development Plan. The Nutrition Partners Forum also includes both government ministries and development partners.

The National Strategic Plan of Action for Nutrition (NSPAN) 2014-2019, highlighted the need to strengthen the Nutrition Information System (NIS) in the country. Conducting food and nutrition surveys on regular basis is one of the plans to achieve this objective. The Agriculture Promotion Policy (2016 – 2020) termed Green Alternative, a guiding document of the Federal Ministry of Agriculture and Rural Development (FMARD) has Food, Consumption and Nutrition Security as one of the thematic areas of interventions. The policy highlighted the leading role of private sectors and the importance of coordination among relevant stakeholders including government and research institutes in leveraging the capabilities of Nigeria to ensure food and income security. The policy thrust include making nutritious foods available at local level through school feeding programmes and bio-fortification of foods and to raise awareness about nutritious foods.

FMARD is actively involved in Home Grown School Feeding (HGSF) initiative which aims at feeding over 24 million school children nationwide. HGSF is a school feeding programme that provides food produced and purchased within a country to the extent possible. It focuses on linking school feeding programmes with local small-scale farmer production by creating an ongoing market for the youth and women enterprises.

3. Food security and nutrition situation

Malnutrition in its different forms is prevalent in the Niger Delta region. According to the National Nutrition and Health Survey (NNHS 2015)⁶⁸ the south south zone (comprise of 6 states in the Niger Delta) had 5.3 per cent of acute malnutrition, 12.3 percent underweight and 20 percent stunting (chronic malnutrition) among children under five years of age. At national level, stunting is 33 percent and it still remains the largest burden of malnutrition among children in Nigeria. The rate of stunting reflects long-term nutritional problem and inadequate dietary intake over a long period of time with

⁶⁸ National Nutrition and Health Survey (NNHS) 2015. The Nutrition and Health Situation in Nigeria November 2015

possible consequences of recurrent and chronic illness. Among the women of reproductive age (15-49 years), acute malnutrition prevalence in south south zone was reported at 4.1 per cent. Maternal nutrition, is a fundamental cornerstone for women's health and wellbeing as well as their children's. Malnourished women and adolescent girls (youth) are prone to giving birth to a stunted child, increased susceptibility to infections, slow recovery from illness, and a heightened risk of adverse pregnancy outcomes – pre-term, birth and intra-uterine growth retardation, obstructed labour, low birth weight, low quality breast milk, postpartum haemorrhage, and increased morbidity for both herself and her baby. The importance of good nutrition for women and adolescent girls throughout the lifecycle is well documented in literatures. This justifies the relevance of nutrition mainstreaming in this project interventions.

According to the DHS (2013)⁶⁹, only 33.2 percent of children (6-23 months) in south south zone are fed appropriately based on the minimum dietary diversity. Dietary diversity and feeding practices varies across different states. Rivers is among the states with high consumption of vitamin A-rich foods (83.6percent) while Akwa-Ibom had 49.3percent. Vitamin A-rich foods includes meat , fish, poultry, eggs, pumpkin, red or yellow yams or squash, carrots, red sweet potatoes, dark green leafy vegetables, mango, papaya, and other locally grown vitamin A rich fruits and vegetables, and red palm nuts. The child feeding practice is associated with the level of mother's education and wealth. Mother's education has a positive relationship with consumption of vitamin A-rich foods. A proportion of 44 percent children whose mothers have no education consume vitamin A-rich foods, as compared to 62percent of children whose mothers have higher education. A study on the food security status of crop farm households in the Niger Delta showed that majority (87.76 percent) of farm households were food insecure while 12.24 percent were marginally food secure. More than half of these population (57.03 percent) ate once a day (Ukpe, 2016).

The major constraints to food security include low income resulting in low purchasing power for adequate food; lack of access to nutritious foods; lack of awareness about proper nutrition and importance of dietary diversity; poor quality of food due to contamination i.e. pesticide, aflatoxins, pests.

As Nigeria's work and eating habits evolve, a striking rise in levels of obesity and diabetes is emerging in both urban and rural areas; co-morbidities including kidney disease and cardiac complications are also emerging. The government is intensifying its efforts to help develop eating habits in Nigeria towards a more balanced regimen in order to reduce overconsumption of certain classes of foods. The priority commodities for productivity in the Agriculture Promotion Policy of the FMARD include rice, wheat, maize, fish (aquaculture), dairy milk, soya beans, poultry, horticulture (fruits and vegetables).

States in Niger Delta Region	Stunting (NNHS, 2015)	Dietary diversity(≥4 food groups)among children (DHS, 2013)	Vitamin A-rich foods (DHS, 2013)
Abia	17.9	36.3	65.3
Akwa-Ibom*	24.1	24.1	49.3
Bayelsa*	14.1	25.2	75
Cross-River*	18.5	34.5	66.3
Delta*	19.9	15.2	52.9
Edo*	15.1	17.8	51.7
Imo	12.1	32.1	56.3
Ondo	23.6	27.4	58.2
Rivers*	22.3	63.2	83.6
South south zone	20.0	33.2	63.8
National	33.3	19.3	51.6

* States in the South South zone

⁶⁹ Nigeria Demographic and Health Survey (NDHS) 2013

4. Commodity enterprise and value chain

The IFAD supported Community-based Natural Resource Management Programme (CBRNMP) conducted a baseline study in selected 4 States (Abia, Cross River, Edo and Rivers) of the Niger Delta region. The study showed the major commodity enterprise and value chain in the various states. **Cassava** production and processing was a major value chain in Rivers state followed by Cross River State. **Plantain** production, was a major value chain in Cross Rivers State followed by River State. **Rice** production and processing was a major value chain in Cross River and Edo States followed by Abia State. **Fish** processing was a major value chain in Rivers State followed by Cross River State. And **poultry** production was a major value chain in Rivers State followed by Edo State. The major challenge reported in these enterprises was mainly labour constraint for production and processing of cassava, plantain and rice. Whereas, for fish processing it was funding and cost of feed for poultry.

5. Approach for nutrition mainstreaming

LIFE will build on the commodity development approach as an entry point to provide learning and knowledge among community members; to facilitate youth involvement and women inclusion in agribusiness, facilitate access to economic opportunities, improve nutrition and food security. This approach is anchored on the incubator model. Incubation is the period it will take an average individual to understudy the management of the enterprise or value chain and subsequently be capable of independent employment in that enterprise or value chain.

Enterprise incubation model is an innovative model that introduces and mentors youth to agribusiness and decent jobs and it is associated to knowledge sharing with the universities and colleges. Potential collaboration will be explored with the National Agricultural Research System including Agricultural Research Council of Nigeria (ARCN) and Agricultural Research Institutes dealing with relevant sub-sectors of agriculture- crops, livestock and fishery production systems and agro-allied industrial research. This will entail synergies and partnerships with the federal colleges of Agriculture in capacity building, vocational training sessions, technology transfer on production, productivity, processing and value added product development enterprises. LIFE interventions for nutrition will explore collaboration and upscale learnings and technologies generated from IFAD grants on nutrition-sensitive agriculture in Nigeria. For instance IITA has worked on processing of high quality cassava flour, bio-fortified cassava and various value added product development.

6. Theory of change

LIFE interventions primarily focus on creating employment, better market and income for rural youth and women. However, the interventions on good agricultural practices and support on labour saving technologies to increase food production, productivity and the value addition will contribute to good nutrition and food security. The well-established importance of good nutrition for women and adolescent girls throughout the lifecycle justifies the relevance of **nutrition mainstreaming** in this project interventions for improve nutrition and food security. Interventions on income generation enterprises with cross-cutting initiatives on gender and climate smart production/productivity including poultry, fisheries, bio-fortified cassava, vegetables, nutrient rich crop varieties, value added products development and processing are opportunities for women and adolescent girls to be engaged on nutrition training and nutrition information to contribute to consumption of nutritious, safe and diverse food.

7. **Pathways:** Employment and enterprise (income generating opportunities)+capacity building/trainings + nutrition education would increase & improve food production, processing, marketing and consumption of nutritious, safe and diverse food. The approach for targeting and implementation of LIFE interventions will be explored and tracked for relevant interface of nutrition outcomes with gender and climate mainstreaming.

8. **Approach:** Operational approach for nutrition mainstreaming will be pursued through the engagement of private sector and research institutions such as IITA and Harvest Plus to leverage knowledge on the emerging bio-fortified, nutrition responsive cassava varieties. The implementation of nutrition activities will be facilitated and coordinated at regional level by a nutrition specialist (TORS enclosed). At state level, the project could engage a nutrition officer/nutrition focal point to coordinate and support the implementation of activities at community level. In Delta state, the Ministry of agriculture and natural resource has a dedicated nutrition officer tasked with the responsibility to support nutrition-sensitive activities in communities.

9. Recommended Nutrition Activities

- a) **Value added product development:** This activity will involve production, processing, promotion and consumption of nutritious food commodities. The priority commodity selected for each state will be evaluated on the nutrition gaps and opportunities along the food supply chain (production to consumption). This will entail assessment of nutritional quality of different priority commodities, food products, influence of different local food processing strategies on quality and nutrition along the value chains. Given the rapid change in consumption patterns to higher value and more processed products this activity is aimed to improve efficiency of the commodity chain, add value for processors, enterprises, consumers and to ensure access to nutritious foods. It will also offer prospects for income gains and employment in the broader food system in rural areas. Development of value added products will be explored and promoted in addressing food seasonality, post-harvest handling and diet enrichment. The value added products will be promoted for consumption at households and for marketing for income generation.
- b) **Time and energy saving technologies:** LIFE intervention will provide support on time and energy saving technologies across production, preservation, processing and consumption to lighten the burden and multitask of rural women, as well as in addressing the post-harvest loss rates in Nigeria. The current post-harvest loss rates in Nigeria is up to 60 percent for perishable crops. The Agriculture Promotion Policy recognizes post-harvest handling of agricultural produce as an important component of value chain development, and a catalyst for progressive and sustainable expansion of agribusiness thereby eradicating waste and improving nutrition, food security, wealth creation, employment generation. The time and energy saving technologies should be gender responsive and nutrition-sensitive in order to mitigate any unintended adverse impact on feeding and care giving. Women are responsible for feeding the children and the family and contending with a very high workload has potential for adverse effect on their own nutrition. A reduction in women workload, energy output, time spent on accessing food would be reinforced from available technologies introduced at agricultural production, productivity and processing activities.

This activity would be implemented by relevant research institutes, University of agriculture in collaboration with the ministry of agriculture in the respective project states. For instance in Abia state, LIFE will explore collaboration with Michael Okpara University of Agriculture, Umudike (MOUUAU) which is one the three specialised Universities of agriculture established by the Federal government of Nigeria to provide practical knowledge for agricultural transformation for sustainable food production. MOUUAU has an outreach model through agricultural extension services, on-farm adaptive research and demonstration communities (also known as adopted villages) for knowledge and technology transfer to the smallholder farming communities, the youth, women and extension workers/ADPs in Abia state. LIFE will build on the recent memorandum of understanding between MOUUAU and the ministry of agriculture in Abia state which involved training the youth on cassava production and processing.

- c) **Nutrition education:** The nutrition officers and extension workers would be responsible for the implementation of Nutritional education. Nutrition education modules will be developed for the training plans of the TOTs, women groups, Youth groups, Incubator centers, ADP and extension workers. The content of the nutrition education will include topics such as: sensitization on nutrition-sensitive agriculture, basic knowledge on different food groups, importance of nutritious food production and consumption for each priority commodity. This activity will also involve awareness campaign for sensitization and behaviour change communication. The channels for the campaign will explore radio/TV program, drama, social marketing, newsletter, magazines, songs local languages and the gender tool on household methodologies. The household methodologies will engage entire household members- males, females, children, adults and the elderly to ensure common understanding of the nutrition message/education and compliance for adequate dietary intake. The nutrition focal point/expert at state level will coordinate the implementation of this activity in collaboration with relevant stakeholders such as the Civil Society Scaling-Up Nutrition in Nigeria (CS-SUNN). Partnership with CS-SUNN should be considered given their demonstrated expertise in Nutrition Advocacy and Community mobilization for improved nutrition in Nigeria through holding

government accountable and policy implementation. Synergy would be leverage with UNICEF and ministry of Health on improved sanitation and hygiene awareness campaign.

- d) **Vegetable garden and integrated homestead food production (IHFP):** The purpose of this activity is to facilitate adequate food consumption at household level and the primary target is the women group. The activity will involve promotion of vegetable gardens and small livestock/ruminants to improve diverse food production, primarily vegetables and animal proteins foods for income and consumption at household level. The IHFP will integrate nutrition sensitization to ensure that the increase food production and income rise is complemented with the actions for adequate consumption. Capacity will be developed by supporting training of trainers who can roll-out toolkit on 'Integrated homestead food production' (IHFP) to the communities. This activity would be implemented by ADP/extension workers in collaboration with the ministry of agriculture and other relevant stakeholders.
- e) **Home Grown School Feeding (HGSF) initiative:** This activity will build on the FMARD's Agriculture Promotion Policy. It will target school vicinity in project catchment areas to empower women groups particularly on the activities of home garden. The selection of target school would give consideration to prevalence of malnourished and poor children and poor school attendance. The HGSF will aim to contribute to school meals and raise awareness on nutritious foods to school children and their family. Also the HGSF initiative would be a potential market access to the youth and women groups/enterprises for income generation. This activity will explore synergies with other relevant stakeholders (i.e WFP, FAO) and sectors (Education). The support from LIFE intervention will be for the first three years of project implementation. Details on the collaboration and engagement modalities and exist strategy need to be developed with further information. The HGSF initiative is an opportunity to explore the UN Rome base agencies (WFP, FAO, IFAD) collaboration on LIFE interventions in Niger Delta region for good nutrition.
- f) **Food and nutrition study:** There is dearth of data on dietary diversity and diet quality especially among the women and adolescents girls in the Niger Delta region. Contribution of LIFE interventions to nutrition outcomes will be monitored and documented through periodic food survey; at baseline, midterm and at completion. Through collaboration with relevant institutions (i.e. research centres, college or University of agriculture) one or two M.Sc. students (including female youth) will be supported in the respective project states in carrying out these food survey as his/her postgraduate programme. The baseline food survey will be conducted to ascertain information on prevailing nutrition knowledge, food attitudes and practices (KAP), to guide nutrition education, nutrition-sensitive interventions and benchmark data for tracking progress on nutrition outcomes and as the benchmark data for an evidence based contribution of LIFE interventions to nutrition outcomes. Also the baseline information will provide the space to reaching out to the vulnerable groups as well as appropriate selection of nutrition education and food commodities. Good practices and lessons learned from nutrition mainstreaming will be disseminated through factsheets, technical reports, publications, meetings and workshops with stakeholders. The generated food and nutrition database from LIFE interventions will contribute to the efforts of National Strategic Plan of Action for nutrition and the Nutrition Information System in the country. The project nutrition expert/focal point at regional and state levels will be responsible for coordination and facilitation of the activity.
- g) **Capacity building on nutrition-sensitive agriculture:** The capacity of nutrition officers, extension workers, community frontline agents, project team and stakeholders would be supported to effectively facilitate the implementation of nutrition activities. The support would involve trainings, sensitization workshops and refresher courses on nutrition-sensitive interventions. The interventions on capacity building of the incubators and enterprises are channels for nutrition education to the project beneficiaries. LIFE will explore possible collaboration with the CS-SUNN on this activity and build on the CS-SUNN mission to advocate, generate evidence, build capacity and stimulate communities to scale up Nutrition in Nigeria

10. Nutrition indicators

- i. **Outcome indicator:** Percentage of women consuming minimum number of food groups (dietary diversity). The baseline=TBD/ Target=50percent increase.

- ii. **Output indicator:** Number of beneficiaries participating in nutrition activities. The baseline= 0/ Target=30percent of project beneficiaries.
- iii. **Output indicator:** Number of nutritious product developed. The baseline= 0/ Target=4 products

11. Budget/costing

Nutrition Mainstreaming LIFE											
Nutrition Activities	Unit	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Total Unit	Unit Cost (USD) '000	Total Cost (USD) '000
Value added product development											
Analysis of nutrition gaps along commodity supply chain (production to consumption)	study ^a	1							1	100	100
Development and promotion of value added products	Session ^b	18	18	18	18	18	18	0	108	1	108
Support on Time and labour saving technologies for processing nutritious food commodities	state ^c	138	138	138	138	0	0	0	552	0.5	276
											484
Food and nutrition study											
Food consumption, food practice, knowledge and attitude conducted at baseline, midterm and at project completion	study ^d	1	0	0	1	0	0	1	3	50	150
Publications, learning and sharing events	event ^e	0	1	1	1	1	1	1	6	10	60
											210
Nutrition education and Behaviour Change Communication											
Develop behaviour change communication materials, awareness campaign drama, mass media	state ^f	18	18	18	18	18	18	18	126	0.5	63
Module development on nutrition-sensitive commodity value chain in the work plan of extension workers/incubators	Lumpsum ^g	1	0	0	0	0	0	0	1	50	50
											113
Home garden											
Support on vegetable gardens and rearing of small livestock at home	state ^h	138	138	138	138	0	0	0	552	0.1	55.2
Home Grown School Feeding (HGSF) initiative											
Support to the school feeding programme initiative	state ⁱ	138	138	138	0	0	0	0	414	0.2	82.8
											138
Capacity building on nutrition-sensitive agriculture	staff ^j	18	18	18	18	18	18	18	126	0.5	63
TOTAL											1008

a. One time Nutrition analysis of the 4 priority commodities in each of the 6 states

b. Three sessions on two priority commodities per year in 6 states (3X6=18)

c. In each of the 6 states approximately 23 women groups will be supported on improved technologies (23X6=138)

d. Food survey in each of the 6 states at baseline, midterm and completion (1X3)

e. Publication of study report and event to share the knowledge products

f. Three session of publicity, awareness campaign/events in each state per year (3X6=18)

g. Contract to develop module for all the priority commodities for each states

h. In each of the 6 states approximately 23 women groups will be supported on home garden (23X6=138)

i. About 15 schools will be supported in each state on HGSF (23X 6=138)

j. Approximately 3 staff in each 6 states (i.e. nutrition officers, extension workers, project team) will be supported to participate in refresher course and workshops

Nutrition Activities	Unit	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Total Unit	Unit Cost (USD) '000	Total Cost (USD) '000
Value added product development											
Analysis of nutrition gaps along commodity supply chain (production to consumption)	study ⁷⁰	1	-	-	-	-	-	-	1	100	100
Development and promotion of value added products	Session ⁷¹	18	18	18	18	18	18	-	108	1	108
Support on Time and labour saving technologies for processing nutritious food commodities	unit ⁷²	135	135	135	135	-	-	-	540	0.5	270
Food and nutrition study											
Food consumption, food practice, knowledge and attitude conducted at baseline, midterm and at project completion	study ⁷³	1	-	-	1	-	-	1	3	50	150
Publications, learning and sharing events	Lumpsum	-	1	1	1	1	1	1	6	10	60
Nutrition education and Behaviour Change Communication											
Develop behaviour change communication materials, awareness campaign drama, mass media	events ⁷⁴	18	18	18	18	18	18	18	126	0.5	63
Module development on nutrition-sensitive commodity value chain in the work plan of extension workers/incubators	Lumpsum ⁷⁵	1	-	-	-	-	-	-	1	50	50
Home gardening training and advisory services											
Support on vegetable gardens and rearing of small livestock at home	session	135	135	135	135	-	-	-	540	0.1	54
Home Grown School Feeding (HGSF) initiative											
Support to the school feeding programme initiative	unit ⁷⁶	135	135	135	-	-	-	-	405	0.2	81
Capacity building on nutrition-sensitive agriculture	staff ⁷⁷	18	18	18	18	18	18	18	126	0.5	63
											979

⁷⁰ Nutrition analysis of the 4 priority commodities in each of the 6 states

⁷¹ 2 sessions on two priority commodities per year in 6 states

⁷² In each of the 9 states approximately 15 women groups will be supported on improved technologies

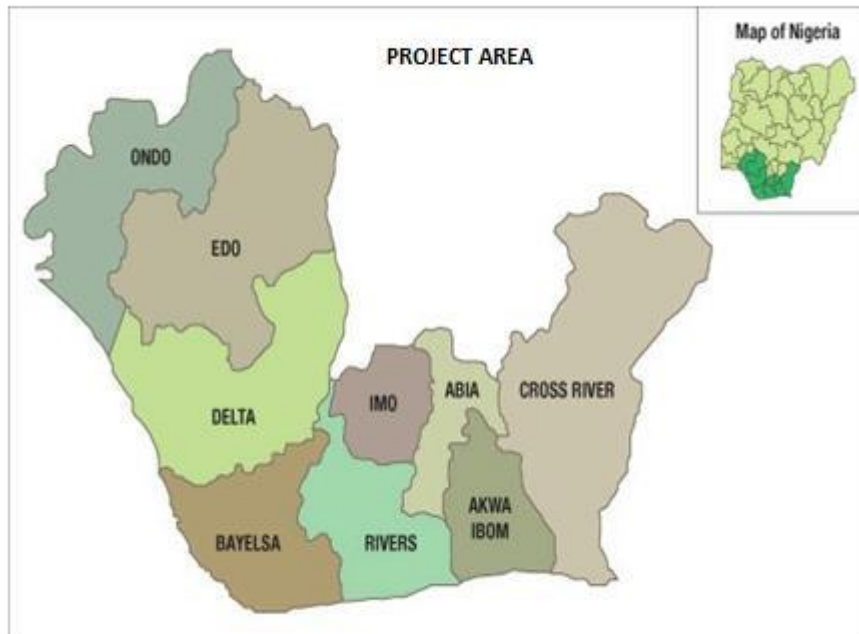
⁷³ Food survey in each of the 9 states at baseline, midterm and completion

⁷⁴ Two sessions/events in each state per year

⁷⁵ Contract to develop module for all the priority commodities for each states

⁷⁶ In each state about 15 schools will be supported (15X 9=135)

⁷⁷ Approximately 2 staff in each 9 states (i.e. nutrition officers, extension workers, project team) will be supported to participate in refresher course and workshops



References :

- 1) National Nutrition and Health Survey (NNHS,2015). The Nutrition and Health Situation in Nigeria November 2015
- 2) Nigeria Demographic and Health Survey (NDHS) 2013. National Population Commission Nigeria and ICF International and Rockville, Maryland, USA: NPC and ICF International.
- 3) Ukpe, Offiong Uma (2016). Effects of access to microcredit on the food security status of crop farm households in Niger Delta, Nigeria. A Ph.D. Thesis submitted to the department of agricultural economics, University of Nigeria, Nsukka in fulfilment of the requirement for the award of doctor of philosophy (Ph.D.) Degree in agricultural economics.
- 4) The Agriculture Promotion Policy (2016 – 2020). The Policy and Strategy Document, Federal Ministry of Agriculture & Rural Development.

Appendix 18: Expectations of NDDC on the impact of LIFE on youth restiveness in the Niger Delta region



IFAD brings N21bn support to help nddc fight unemployment

MARCH 25TH, 2017  KAY UGWUEDE NEWS COMMENTS

A United Nations agency, International Fund for Agricultural Development (IFAD), is coming down with \$60 million (N21bn) to support the Niger Delta Development Commission (NDDC) in the fight against youth unemployment that leads to restiveness in the oil region.

Nsima U. Ekere, managing director of the NDDC, disclosed this when IFAD officials paid a courtesy visit to management at the NDDC headquarters in Port Harcourt weekend.

Ekere said the Commission would sustain and strengthen its partnership with the UN agency as part of efforts to create wealth and transform the region.

Ekere, who was represented by an engineer, Samuel Adjogbe, NDDC Executive director projects, said the Commission carried out a baseline study to gather data that would help it produce a good design for the new IFAD programme.

He said: "If there is something I would really want to support, it is the collaboration that IFAD is bringing. The NDDC is ready to partner with IFAD in the new programme because we need to diversify the mono-economy of the country.

"We hope that what we have gathered as the base line survey will help us to produce a design that will give us something reliable when we get to the implementation stage. NDDC is committed to getting many people, particularly our youths, back to work because we need to get our people to be meaningfully engaged. And this will help strengthen the process of our engagement with them, which we have begun in earnest."

The NDDC executive director said that the Commission had always recognized agriculture as the way forward for Nigeria, adding that it would continue to support IFAD to integrate rural dwellers into agricultural entrepreneurship. "Oil and gas has given us a take-off platform. Now we must diversify."

Rich Pitrine, the representative of the IFAD (Rome) and Country Director in Nigeria, said that the new programme, which would run for six years, would revolve around enterprise development for youths and women. "We understand the lack of opportunities which is an unfortunate disease for your region. We

understand very well that there are phenomenal things which can be done if proactive investments are done.”

He explained that the IFAD programme would broaden the economic horizon of budding entrepreneurs and set the stage for the emergence of a sustainable system that would engage youths in enterprise-based jobs.

“We have invested with NDDC in the past on Community-Based Natural Resource Management Programme (CBNRMP) that has helped to create wealth in the Niger Delta region. We have learnt some lessons from that and we have had some successes.”

Saying the IFAD was an investor and not a project implementing team, he said; “We are not coming to Nigeria or to the Niger Delta to take over. We are coming here to help you to invest in your vision and invest jointly with you to realize an outcome which will create employment for you in this region particularly.”

Marcel Eshiogu, NDDC director, agriculture and fisheries, praised the gains of the partnership with IFAD, noting that the Commission had been working with the UN agency since 2005.

