



Investir dans les populations rurales

Conseil d'administration
Cent quarante-deuxième session
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Rapport du Président

Proposition de prêt

République fédérale du Nigéria

Programme relatif aux filières dans le nord du Nigéria (VCN)

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Mesures à prendre: Le Conseil d'administration est invité à approuver la recommandation telle qu'elle figure au paragraphe 57.

Questions techniques:

Bernard Hien

Directeur régional
Division Afrique de l'Ouest et du Centre
courriel: b.hien@ifad.org

Dede Ekoue

Directrice de pays
Division Afrique de l'Ouest et du Centre
courriel: d.ekoue@ifad.org

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Équipe d'exécution du programme

Directeur régional:	Bernard Hien
Directrice de pays:	Dede Ekoue
Responsable technique:	Marco Camagni
Responsable des finances:	Austin Tatah
Spécialiste climat et environnement:	Bernard Yao Brou
Juriste:	Ebrima Ceesay

Carte de la zone du programme



Les appellations employées et la présentation des données n'expriment aucune position particulière du FIDA quant au tracé des frontières ou limites ni aux autorités concernées.
Carte établie par le FIDA | 16/08/2024

Résumé du financement

Institution initiatrice:	FIDA
Emprunteur/bénéficiaire:	République fédérale du Nigéria
Organisme d'exécution:	Ministère fédéral de l'agriculture et de la sécurité alimentaire
Coût total du programme:	158,15 millions d'USD
Montant du prêt 1 du FIDA [Système d'allocation fondé sur la performance (SAFP)]:	56,70 millions d'USD
Conditions du prêt 1 du FIDA:	Mixtes: délai de remboursement de 25 ans, y compris un différé d'amortissement de 5 ans, assorti d'une commission de service de 0,75% et d'un taux d'intérêt de 1,25% l'an en droits de tirage spéciaux (ajustement pour les prêts en une seule monnaie)
Montant du prêt 2 du FIDA [Mécanisme d'accès aux ressources empruntées (MARE)]:	30,00 millions d'USD
Conditions du prêt 2 du FIDA:	Ordinaires: délai de remboursement de 35 ans maximum, assorti d'un différé d'amortissement maximal de 10 ans, sous réserve d'une échéance moyenne maximale de 20 ans, à un taux d'intérêt correspondant au taux de référence du FIDA et incluant une marge variable
Cofinanceurs:	Agence française de développement (AFD)
Montant du cofinancement:	50,80 millions d'USD
Conditions du cofinancement:	Cofinancement parallèle de toutes les composantes
Contribution de l'emprunteur:	12,00 millions d'USD
Contribution des bénéficiaires:	8,60 millions d'USD
Montant du financement climatique apporté par le FIDA:	37,70 millions d'USD
Institution coopérante:	Supervision directe par le FIDA

I. Contexte

A. Contexte national et justification de l'intervention du FIDA

1. Malgré son potentiel, l'économie nigériane enregistre depuis 2015 un taux de croissance faible imputable, entre autres, à la pandémie de COVID-19, aux inondations de 2022, à la guerre en Ukraine et à la forte inflation¹. Le pays compte 218,5 millions d'habitants, dont plus de 40% sont extrêmement pauvres². Quarante-vingt-cinq pour cent des nigériens et nigériennes pauvres sont des habitants des zones rurales employés dans un secteur agricole à faible productivité. L'agriculture compte pour 23% du produit intérieur brut (PIB) du pays.
2. En 2023, le Nigéria figurait dans la liste des 37 pays classés comme étant en situation de fragilité³. Cette fragilité est plus prononcée dans le nord du pays – zone concernée par le programme – sur laquelle pèsent les effets des changements climatiques⁴, l'insécurité et la violence (notamment les conflits entre agriculteurs et éleveurs⁵), le chômage et la pauvreté, l'insécurité alimentaire et la malnutrition⁶, et l'exclusion sociale des femmes pauvres et d'autres groupes vulnérables⁷. Il en résulte une destruction massive des moyens d'existence, des pertes humaines et des déplacements de populations⁸.
3. Le programme est en phase avec le programme *Renewed Hope*⁹, la déclaration d'état d'urgence sur la sécurité alimentaire, la politique nationale en matière de technologies et d'innovations agricoles¹⁰, la voie nationale pour la transformation des systèmes alimentaires¹¹ et les politiques pour la prise en compte des questions de genre, des jeunes, des enjeux nutritionnels et des changements climatiques¹².

Aspects particuliers relatifs aux thématiques transversales prioritaires du FIDA

4. Conformément aux engagements du FIDA en matière de transversalisation, le programme a été validé comme :
 - incluant un financement climatique;
 - incluant des activités relatives à la capacité d'adaptation;
 - porteur de transformations en matière de genre;
 - tenant compte des enjeux nutritionnels;
 - axé sur les jeunes.
5. Dans le cadre du programme, les quatre thématiques transversales du FIDA relatives à l'environnement et aux changements climatiques, aux questions de genre, aux enjeux nutritionnels et aux jeunes seront abordées.

¹ <https://www.worldbank.org/en/country/nigeria/overview>.

² <https://www.statista.com/statistics/1287811/number-of-people-living-in-extreme-poverty-in-nigeria-by-area>.

³ <https://thedocs.worldbank.org/en/doc/a91e714e0a53291b569c4a41981aa2c5-0090082023/original/FCList-FY06toFY23.pdf>.

⁴ <https://www.undp.org/sites/g/files/zskgke326/files/migration/ng/Assessing-the-Impact-of-Conflict-on-Development-in-NE-Nigeria---The-Report.pdf>.

⁵ FIDA, rapport de conception du programme, annexe 13.11. *Technical Note on Assessment and Strategies for Promotion of Gender Equality* (Note technique sur l'évaluation et les stratégies en matière de promotion de l'égalité femmes-hommes). 2024.

⁶ https://www.ipcinfo.org/fileadmin/user_upload/ipcinfo/docs/ch/Fiche_Com_CH_Nov2023.pdf.

⁷

https://africa.unwomen.org/sites/default/files/Field%20Office%20Africa/Images/Publications/2020/NE%20Nigeria%20RGA%20digital_compressed.pdf.

⁸ Haut-Commissariat des Nations Unies pour les réfugiés, Nigéria: *All Population Snapshot as of 31 October 2023* (Aperçu de la population au 31 octobre 2023). Novembre 2023.

⁹ https://media.premiumtimesng.com/wp-content/files/2023/02/RENEWED-HOPE_compressed.pdf.

¹⁰ <https://agriculture.gov.ng/wp-content/uploads/2024/06/National-Agricultural-Technology-and-Innovation-Policy-NATIP-2022-2027.pdf>

¹¹ <https://nationalplanning.gov.ng/wp-content/uploads/2023/09/Pathway-for-Food-A-Call-to-Action.pdf>.

¹² https://climatechange.gov.ng/wp-content/uploads/2021/08/NCCP_NIGERIA_REVISÉD_2-JUNE-2021.pdf.

Justification de l'intervention du FIDA

6. Le programme est conçu, à la demande du Gouvernement fédéral nigérian, pour élargir l'impact du Programme d'appui à l'adaptation au changement climatique et au secteur agroalimentaire dans les zones de savane (CASP), et pour renforcer la résilience des communautés rurales à la fragilité et aux difficultés qu'elle entraîne. Tel que proposé, il complète le Programme de mise en place des zones spéciales de transformation agro-industrielle (SAPZ) et le Projet pour le désenclavement rural et la commercialisation des produits agricoles (RAAMP) menés respectivement dans les États de Kano et de Bauchi.
7. Au Nigéria, l'avantage comparatif du FIDA repose sur: i) les enseignements tirés du programme CASP concernant la lutte contre la fragilité, eu égard notamment aux associations de développement communautaire, aux associations de services financiers, au modèle de partenariat public-privé-producteurs (4 P) [Forum des associations de producteurs, dans le cadre du Programme de développement des filières (VCDP)], au modèle d'entrepreneuriat destiné aux jeunes prévu dans le Projet d'amélioration des moyens de subsistance des entreprises familiales dans le delta du Niger et dans un projet d'agri-pôle, aux bonnes expériences concernant les filières inclusives, à dimension nutritionnelle et climatiquement résilientes, et aux partenariats avec les pouvoirs publics, le secteur privé (Babban Gona) et les instituts de recherche; ii) l'expérience acquise dans la promotion de politiques agricoles et le recours aux meilleures pratiques internationales en matière de transformation des systèmes alimentaires.

B. Enseignements à retenir

8. **Il est possible de développer des filières favorables aux pauvres et à dimension nutritionnelle dans des environnements fragiles.** Les enseignements tirés des programmes CASP et VCDP à cet égard sont les suivants: i) les partenariats stratégiques rendus possibles par le Forum des associations de producteurs ont permis au VDCP d'améliorer considérablement la sécurité alimentaire au Nigéria; ii) les associations de développement communautaire et de services financiers peuvent servir de tremplin au développement des filières; iii) plusieurs facteurs peuvent jouer en même temps pour améliorer la nutrition et la diversité alimentaire des populations; iv) la productivité et les revenus n'augmenteront qu'à condition d'améliorer aussi l'accès des bénéficiaires aux marchés, investissements accrus à l'appui¹³, comme le montrent les études du FIDA et l'évaluation de l'impact du programme VCDP.
9. **La plus haute importance doit être accordée au fait de faire évoluer la dynamique hommes-femmes et de cibler les filières en fonction des enjeux ayant trait aux femmes et aux jeunes,** comme il ressort des enseignements tirés des programmes CASP et VCDP. En contexte de fragilité, la qualité du ciblage, l'emploi de la méthode du Système de formation-action pour l'égalité femmes-hommes et la formation de groupes réservés aux femmes sont gage d'autonomisation des jeunes et des femmes.
10. **L'application à plus grande échelle de l'outil numérique et des technologies pertinentes est utile à la résilience climatique,** comme le montre l'expérience acquise dans le cadre du programme CASP concernant l'information et les services climatiques, les conseils en agronomie dispensés par voie numérique et le renforcement des capacités des petits exploitants à utiliser des technologies simples favorisant la gestion durable des terres et la résilience climatique.
11. **L'expérience faite dans le cadre du programme CASP avec les associations de services financiers montre que celles-ci peuvent être une source**

¹³ FIDA, Rapport d'évaluation de l'impact du Programme de développement des filières pour la République fédérale du Nigéria (2021), p. 45.(en anglais seulement)

durable de service financiers locaux pour les agriculteurs. Le programme proposé vise à renforcer ces associations et les liens qu'elles entretiennent avec les institutions financières favorables à l'agriculture.

12. **Un programme est d'autant plus susceptible de contribuer aux politiques publiques et de produire des effets durables qu'il s'inscrit dans les priorités des autorités.** Les administrations d'au moins trois États ont pris des dispositions institutionnelles et budgétaires pour préserver les associations de développement communautaire après la clôture du programme CASP.
13. **Les équipes chargées du suivi-évaluation et de la gestion des savoirs dans le cadre des projets du FIDA doivent être considérablement améliorées pour gagner en efficacité.** Dans le cadre du programme, les communautés et les responsables de l'exécution seront encouragés à contribuer à des systèmes participatifs de suivi-évaluation et de gestion des savoirs.

II. Description du programme

A. Objectifs, zone d'intervention et groupes cibles

But et objectifs

14. Le but du programme est de contribuer durablement à la réduction de la pauvreté, à l'amélioration de la nutrition et au renforcement de la résilience des populations rurales dans les États du nord du Nigéria. L'objectif de développement est d'améliorer la sécurité alimentaire et nutritionnelle et les revenus des ménages du nord du Nigéria, grâce à un développement inclusif et durable des filières, catalyseur d'une transformation du monde rural.

Zone géographique

15. La zone du programme comprend neuf États du nord du Nigéria: les États précédemment couverts par le programme CASP (Sokoto, Kebbi, Zamfara, Katsina, Jigawa, Borno et Yobe), l'État de Kano et l'État de Bauchi.

Groupes cibles

16. Les groupes cibles du programme sont: i) les producteurs pratiquant une agriculture de subsistance ou de semi-subsistance (ménages très pauvres et pauvres) (40% des bénéficiaires); ii) les producteurs orientés vers les marchés (personnes pauvres et ménages vulnérables à la pauvreté) (30% des bénéficiaires); iii) les entrepreneurs (personnes très pauvres et pauvres et ménages vulnérables à la pauvreté) (30% des bénéficiaires), un accent particulier étant mis sur les femmes et les jeunes. En tout, 40% des bénéficiaires seront des femmes, 30% des jeunes et 45% des hommes. Dans chacun de ces groupes, 10% des bénéficiaires seront des personnes handicapées et 5% des anciens déplacés revenus dans leur foyer.

B. Composantes, résultats et activités

17. Le programme compte deux composantes programmatiques. Toutes les activités prennent en compte les thèmes transversaux (questions de genre, jeunes, nutrition, les changements climatiques) et les technologies de l'information et des communications (TIC) au service du développement et les mesures d'atténuation de la fragilité sont intégrées dans l'ensemble du programme.
18. **La composante 1, Favoriser une agriculture climatiquement résiliente et à dimension nutritionnelle,** vise à: i) améliorer la productivité, la capacité d'adaptation aux changements climatiques et la résilience des petits exploitants dans les filières ciblées; ii) améliorer la qualité du régime alimentaire et la sensibilisation aux enjeux nutritionnels dans les ménages ruraux ciblés; iii) renforcer la cohésion sociale, le cadre réglementaire et les institutions.
19. **La sous-composante 1.1, Promouvoir des systèmes agricoles durables, des perfectionnements techniques et des pratiques agricoles climatiquement**

- résilientes**, vise à améliorer la productivité, la résilience et la capacité d'adaptation des petits exploitants par: i) la fourniture d'intrants de qualité; ii) des formations aux bonnes pratiques agricoles; iii) des investissements dans l'irrigation, la préparation des terrains et les pratiques économes en eau; iv) des points d'eau pour le bétail; v) la prise en compte de l'environnement et du climat; vi) un appui aux personnes handicapées et aux anciens déplacés, dans les activités qui s'y prêtent; et vii) la mise en place de solutions numériques (registre des agriculteurs, services de conseil en ligne, système de bons électroniques, etc.)
20. **La sous-composante 1.2, Promouvoir la sensibilisation aux enjeux nutritionnels et aux questions de genre et les pratiques correspondantes**, favorisera: i) une sélection des cultures (meilleure valeur nutritionnelle possible dans l'Etat concerné), étayée par une démarche de marché à dimension nutritionnelle, semences biofortifiées à l'appui; ii) la prise en compte du genre dans la communication pour le changement social et comportemental et dans les efforts de pédagogie nutritionnelle et l'utilisation d'outils à dimension nutritionnelle relevant du Système de formation-action pour l'égalité femmes-hommes; iii) une production alimentaire familiale adaptée au contexte et riche en nutriments, et une aide au démarrage de petits cheptels à l'intention des femmes très pauvres.
21. **La sous-composante 1.3, Promouvoir la cohésion sociale et un cadre politique et institutionnel favorable**, vise à: i) encourager une planification participative à assise locale, à laquelle soient associés entre autres parties prenantes les agriculteurs et éleveurs, les femmes, les jeunes, le secteur privé, ou les communautés religieuses et coutumières; ii) donner aux groupes cibles les moyens de s'adresser plus efficacement aux pouvoirs publics, au secteur privé et aux autorités coutumières, et de mieux participer à l'élaboration des politiques; iii) créer des espaces de concertation locaux pour la gestion de la fragilité et des conflits, en particulier entre petits agriculteurs et éleveurs pastoraux, et instaurer ou renforcer des comités locaux de résolution des conflits.
22. **La composante 2, Renforcer l'intégration des groupes cibles dans les filières concernées dans un souci d'inclusivité et de rentabilité**, vise à: i) améliorer la manutention post-récolte, la valeur ajoutée et l'accès aux marchés; ii) améliorer les perspectives entrepreneuriales offertes aux jeunes et aux femmes d'un bout à l'autre de la filière; iii) améliorer l'accès des bénéficiaires aux services financiers.
23. **La sous-composante 2.1, Améliorer les activités post-récolte, la valeur ajoutée, les liens avec les marchés et les partenariats avec les acteurs des filières**, a les objectifs suivants: i) contribuer à la résilience climatique des infrastructures et du matériel post-récolte, construire ou rénover les infrastructures de commercialisation (notamment des routes de désenclavement permettant de réduire les pertes après récolte) et renforcer les capacités des organisations paysannes; ii) promouvoir une planification participative multipartite et élargir les plateformes numériques de services aux filières et d'atténuation de la fragilité; iii) tirer parti de la plateforme 4 P des filières.
24. **La sous-composante 2.2, Promouvoir l'entrepreneuriat auprès des femmes et des jeunes**, contribuera à créer des emplois pour les femmes et les jeunes ruraux qui ne sont affiliés à aucune organisation paysanne et dont l'accès à la terre est limité, grâce au renforcement des capacités, à des outils de création et de gestion d'entreprise et à un meilleur accès aux marchés.
25. **La sous-composante 2.3, Améliorer l'accès aux services financiers**, vise à améliorer l'accès des bénéficiaires aux services financiers, en utilisant les dons de contrepartie au service des jeunes, des femmes et d'autres groupes vulnérables, grâce aux activités suivantes: i) renforcement des capacités des prestataires de services financiers en milieu rural pour les rapprocher des petits exploitants; ii) renforcement des capacités des associations de services financiers et des liens

avec les institutions financières; iii) résorption des risques pesant sur le crédit aux agriculteurs, par le jeu d'une assurance indexée sur les conditions météorologiques et par le renforcement des capacités des associations de développement communautaire et de services financiers.

26. **La composante 3, Coordination et gestion du programme**, vise à garantir la conformité du programme avec les politiques et directives applicables, y compris pour ce qui est du suivi-évaluation et de la gestion des savoirs. Il s'agira de tirer parti des enseignements tirés des situations de fragilité dans le cadre du programme CASP d'une part, et de l'approche participative communautaire et des solutions numériques d'autre part, de façon à garantir la transparence, l'efficacité, l'efficience, les systèmes de reddition de comptes et la pérennité du programme. Un mécanisme d'intervention en cas d'urgence ou de catastrophe est prévu à titre de précaution pour limiter le cas échéant la perturbation des activités dans les zones d'intervention. Le mécanisme sera activé en fonction des éléments déclencheurs définis dans le rapport de conception et sous réserve de l'approbation du FIDA.

C. Théorie du changement

27. Le programme vise à s'attaquer aux niveaux élevés de fragilité, de pauvreté, d'insécurité alimentaire et nutritionnelle, aux chocs climatiques et aux problèmes d'inclusion sociale et financière auxquels font face les petits exploitants, les femmes, les jeunes et les groupes vulnérables dans les États du nord du Nigéria. À cette fin, trois itinéraires d'impact interdépendants sont prévus: i) promotion d'un cadre politique et institutionnel favorable et de mécanismes de cohésion sociale et de gestion des conflits à l'échelle locale; ii) promotion d'une production climatiquement résiliente et à dimension nutritionnelle; iii) renforcement de l'inclusivité dans les filières rentables.

D. Alignement, appropriation et partenariats

28. Le programme est conforme aux objectifs stratégiques du programme d'options stratégiques (COSOP) pour le Nigéria, à savoir i) renforcer les capacités productives des populations rurales et ii) renforcer les cadres organisationnels et stratégiques en collaboration avec le secteur privé pour la mise en place de filières agricoles inclusives et résilientes, objectifs qui sont à leur tour alignés sur les objectifs stratégiques du FIDA concernant les capacités productives, la participation aux marchés, la durabilité environnementale et la résilience climatique. Le programme est également en phase avec les objectifs de développement durable n^{os} 1 (pas de pauvreté), 2 (faim zéro), 5 (égalité des sexes), 12 (consommation et production responsables), 13 (action climatique) et 15 (vie sur terre).
29. L'appropriation du programme dépendra de l'alignement sur les politiques nationales, de la supervision du programme par le Gouvernement fédéral et les administrations des États, du leadership des organisations communautaires et paysannes, et de l'exécution des activités par les communautés ciblées et les partenaires du secteur privé. Dans le cadre du programme proposé, il est prévu d'encourager l'établissement de partenariats avec: i) les projets du FIDA en cours (opérations non-souveraines comprises) et le Projet pour le désenclavement rural et la commercialisation des produits agricoles; ii) les partenaires de développement; iii) les organes publics chargés de projets; iv) les acteurs du secteur privé et des filières; v) les organisations de la société civile et les organismes de recherche.

E. Coût, avantages et financement

Coût du programme

30. Le coût du programme, dont l'exécution s'étalera sur huit ans, est de 158,15 millions d'USD. Les dépenses d'investissement devraient s'élever à

142,7 millions d'USD (90% du coût total), et les dépenses ordinaires à 15,3 millions d'USD (10% du coût total).

31. Les dépenses se répartissent comme suit: composante 1 – 59,5 millions d'USD (38% du financement total); composante 2 - 74,8 millions d'USD (47%); composante 3 - 23,7 millions d'USD (15%). Le montant total alloué par le FIDA au programme au titre du financement de l'action climatique, calculé suivant les méthodes des banques multilatérales de développement pour le suivi du financement de l'adaptation aux changements climatiques et de l'atténuation de leurs effets, est estimé à **37,7 millions d'USD (43,5% du financement du FIDA)**.

Tableau 1
Coût du programme par composante et sous-composante et par source de financement
(en milliers d'USD)

<i>Composante/sous-composante</i>	<i>FIDA (SAFP)</i>		<i>FIDA (MARE)</i>		<i>AFD</i>		<i>État</i>		<i>Bénéficiaires</i>		<i>Total</i>	
	<i>Montant</i>	<i>%</i>	<i>Montant</i>	<i>%</i>	<i>Montant</i>	<i>%</i>	<i>Contributions en espèces ou en nature</i>	<i>%</i>	<i>Contributions en nature</i>	<i>%</i>	<i>Montant</i>	<i>%</i>
1. Favoriser une agriculture climatiquement résiliente et à dimension nutritionnelle												
1.1. Promouvoir des systèmes agricoles durables, des perfectionnements techniques et des pratiques agricoles climatiquement résilientes	18 518	55	2 694	8	10 672	31	622	2	1 434	4	33 940	22
1.2. Promouvoir la sensibilisation aux enjeux nutritionnels et aux questions de genre et les pratiques correspondantes	8 502	40	5 901	28	6 778	32	-	-	-	-	21 182	13
1.3. Promouvoir la cohésion sociale et un cadre politique et institutionnel favorable	1 136	26	1 897	43	1 427	32	-	-	-	-	4 461	3
2. Renforcer l'intégration des groupes cibles dans les filières dans un souci d'inclusivité et de rentabilité												
2.1. Améliorer les activités post-récolte, la valeur ajoutée, les liens avec les marchés et les partenariats avec les acteurs des filières	15 369	32	9 854	21	16 298	34	1 695	4	4 182	9	47 398	30
2.2. Promouvoir l'entrepreneuriat auprès des femmes et des jeunes	2 335	23	4 038	40	3 210	32	-	-	448	5	10 031	6
2.3. Améliorer l'accès aux services financiers	4 476	26	4 793	28	5 582	32	-	-	2 593	15	17 444	11
3. Coordination et gestion du programme												
3.1. Coordination et gestion du programme	6 364	27	822	4	6 833	29	9 683	41	-	-	23 703	15
3.2. Intervention en cas d'urgence et de catastrophe	-	-	-	-	-	-	-	-	-	-	-	-
Total	56 700	36	30 000	19	50 800	32	12 000	8	8 656	6	158 157	100

Tableau 2
Coût du programme par catégorie de dépenses et par source de financement
(en milliers d'USD)

Catégorie de dépenses	FIDA (SAFP)		FIDA (MARE)		AFD		État		Bénéficiaires		Total	
	Montant	%	Montant	%	Montant	%	Contributions en espèces ou en nature	%	Contributions en nature	%	Montant	%
Dépenses d'investissement												
1. Services de consultants	5 595	59	854	9	3 050	32	9	0,1	-	-	9 509	6
2. Travaux	14 083	38	6 860	19	11 620	32	2 317	6	1 771	5	36 650	23
3. Équipement et matériel	1 873	48	744	19	1 232	32	59	2	-	-	3 907	3
4. Biens, services et intrants	14 697	46	7 125	22	10 269	32	35	0,1	-	-	32 127	20
5. Don de contrepartie	10 510	27	8 060	21	13 509	35	-		6 886	18	38 965	25
6. Formation et ateliers	8 850	42	5 533	26	6 769	32	-		-	-	21 152	13
7. Véhicules	300	63	-	-	141	30	36	8	-	-	478	0,3
Total des dépenses d'investissement	55 908	39	29 178	20	46 590	33	2 456	2	8 656	6	142 788	90
Dépenses ordinaires												
1. Entretien et fonctionnement	171	8	177	9	548	27	1 151	56	-	-	2 047	1
2. Traitements et indemnités	622	5	645	5	3 663	28	8 392	63	-	-	13 322	8
Total des dépenses ordinaires	792	5	822	5	4 211	27	9 544	62	-	-	15 369	10
Total	56 700	36	30 000	19	50 800	32	12 000	8	8 656	6	158 157	100

Tableau 3
Coûts du programme par composante et sous-composante et par année du programme
(en milliers d'USD)

<i>Composante/sous-composante</i>	<i>Année 1</i>	<i>Année 2</i>	<i>Année 3</i>	<i>Année 4</i>	<i>Année 5</i>	<i>Année 6</i>	<i>Année 7</i>	<i>Année 8</i>	<i>Total</i>
	<i>Montant</i>	<i>Montant</i>	<i>Montant</i>	<i>Montant</i>	<i>Montant</i>	<i>Montant</i>	<i>Montant</i>	<i>Montant</i>	<i>Montant</i>
1. Favoriser une agriculture climatiquement résiliente et à dimension nutritionnelle									
1.1. Promouvoir des systèmes agricoles durables, des perfectionnements techniques et des pratiques agricoles climatiquement résilientes	2 586	3 958	5 147	5 650	6 660	5 894	2 622	1 423	33 940
1.2. Promouvoir la sensibilisation aux enjeux nutritionnels et aux questions de genre et les pratiques correspondantes	1 469	2 870	2 894	2 920	2 779	2 807	2 835	2 609	21 182
1.3. Promouvoir la cohésion sociale et un cadre politique et institutionnel favorable	284	690	696	702	709	489	494	395	4 461
2. Renforcer l'intégration des groupes cibles dans les filières dans un souci d'inclusivité et de rentabilité									
2.1. Améliorer les activités post-récolte, la valeur ajoutée, les liens avec les marchés et les partenariats avec les acteurs des filières	4 097	6 061	6 685	7 976	8 918	6 441	4 496	2 725	47 398
2.2. Promouvoir l'entrepreneuriat auprès des femmes et des jeunes	1 216	1 225	1 235	1 246	1 258	1 271	1 283	1 296	10 031
2.3. Améliorer l'accès aux services financiers	1 773	2 223	2 227	2 233	2 238	2 244	2 250	2 256	17 444
3. Coordination et gestion du programme									
3.1. Coordination et gestion du programme	4 083	2 443	2 949	2 621	2 858	2 841	2 892	3 014	23 703
3.2. Intervention en cas d'urgence et de catastrophe	-	-	-	-	-	-	-	-	-
Total	15 508	19 470	21 833	23 247	25 421	21 987	16 873	13 718	158 157

Stratégie et plan de financement et de cofinancement

32. Le financement est divisé comme suit: i) un prêt du FIDA au titre du SAFP d'un montant de 56,7 millions d'USD (36% du coût total); ii) un prêt du FIDA au titre du MARE d'un montant de 30 millions d'USD (19%); iii) un cofinancement parallèle sous forme de prêt de l'AFD, à répartir entre les sous-composantes, d'un montant de 50,8 millions d'USD (32%); iv) des cofinancements nationaux provenant de l'État fédéral ou des États fédérés (12 millions d'USD) et des bénéficiaires (8,6 millions d'USD), qui s'élèvent à 20,6 millions d'USD sous forme de contributions en espèces et en nature.

Décaissement

33. Des comptes désignés distincts libellés en dollars des États-Unis seront ouverts à la Banque centrale du Nigéria pour chaque source de financement du FIDA (SAFP et MARE). Il s'agira de sous-comptes du compte unique du Trésor du Gouvernement nigérian. À partir des comptes désignés, les fonds seront versés sur les comptes opérationnels du programme libellés en naira nigérian et gérés par le Bureau national de coordination du programme (un compte de décaissement par source de financement). Les fonds de contrepartie de l'État nigérian seront déposés sur un compte distinct réservé aux fonds de contrepartie fédéraux. On trouvera les modalités de fonctionnement des comptes bancaires du programme dans la lettre de présentation des modalités de gestion financière et de contrôle financier.
34. Dans le cadre de l'ensemble des composantes, le FIDA et l'AFD gèreront leurs procédures de passation de marchés et de décaissement de fonds conformément à leurs propres politiques et procédures. Ils signeront un mémorandum d'accord sur l'échange d'informations, la coordination du programme, l'information financière et la supervision.

Résumé des avantages et analyse économique

35. Le taux de rentabilité économique interne du programme est de 27% et le rapport économique avantages-coûts de 10,7. L'analyse de sensibilité indique que, dans l'ensemble, les modèles d'entreprise et le programme se justifient d'un point de vue financier et économique, même dans les environnements de risque les plus défavorables.

Stratégie de retrait et durabilité

36. **Pérennisation.** La pérennité du programme repose sur la capacité à surmonter efficacement les problèmes de fragilité dans le nord du Nigéria. L'équipe du programme s'efforcera: i) de respecter les documents sur les mesures de sauvegarde relatifs aux Procédures d'évaluation sociale, environnementale et climatique (PESEC); ii) de prendre en compte les enjeux nutritionnels et l'inclusion sociale; iii) de développer des filières à haut potentiel de commercialisation, mettant davantage en valeur la nutrition; iv) de renforcer la participation du secteur privé, les liens avec le marché et l'accès aux financements; v) de doter les collectivités et les prestataires de services, notamment les associations de développement communautaires et de services financiers, des moyens nécessaires pour assurer après la fin du programme la pérennité desdites services et notamment l'entretien des infrastructures; vi) d'utiliser des solutions numériques comme vecteur de résilience climatique, de cohésion sociale, de renforcement des capacités des institutions rurales, de concertation sur les politiques et de dialogue avec l'État.
37. La stratégie de retrait du programme s'articule autour des piliers suivants: i) l'appropriation des activités par les communautés, les administrations des États et les institutions communautaires renforcées; ii) la pérennisation des liens avec les marchés; iii) l'utilisation des TIC au service du développement pour gérer la fragilité et l'insécurité.

III. Gestion des risques

A. Risques et mesures d'atténuation

38. Globalement, le risque lié au contexte national est élevé. Les risques en matière de gouvernance et de gestion financière sont élevés, et le FIDA devra apporter un appui sans réserve au renforcement des capacités et à la supervision pour les atténuer. Le risque macroéconomique est élevé en raison de la forte dépendance de l'économie nationale au pétrole, des taux élevés de chômage et d'inflation, et de la pression budgétaire que subissent les administrations des États et l'État fédéral face à la nécessité de s'acquitter des engagements nés des contributions de contrepartie. Le risque inhérent et le risque résiduel du programme sont jugés substantiels au regard du contexte environnemental et climatique (détérioration des projections des scénarios climatiques), de la portée du programme (insécurité et difficulté d'accès aux zones d'intervention), de la passation de marchés (insuffisances en matière de responsabilité et de transparence et faiblesses dans la passation de marchés publics) et des parties prenantes (faible cohésion sociale). Le risque lié à la capacité institutionnelle d'exécution est jugé élevé en raison de la faible dotation en personnel du programme CASP dans certaines régions et de la réduction de ce personnel depuis l'achèvement du programme en question, il y a deux ans. Des investissements considérables seront réalisés pour que les institutions communautaires soient mieux à même d'atténuer ce risque. Dans le cas de tous les risques jugés substantiels ou élevés, les mesures d'atténuation décrites dans le document de conception du programme seront étroitement suivies et rigoureusement appliquées.

Tableau 4

Synthèse des risques

<i>Aspect du risque</i>	<i>Niveau de risque inhérent</i>	<i>Évaluation du risque résiduel</i>
Contexte du pays	Élevé	Élevé
Stratégies et politiques sectorielles	Substantiel	Substantiel
Contexte environnemental et climatique	Substantiel	Substantiel
Portée du programme	Substantiel	Substantiel
Capacités institutionnelles d'exécution et viabilité	Élevé	Élevé
Gestion financière	Élevé	Élevé
Passation des marchés	Substantiel	Substantiel
Impact environnemental, social et climatique	Substantiel	Substantiel
Parties prenantes	Substantiel	Substantiel
Risque global	Substantiel	Substantiel

B. Catégorie environnementale et sociale

39. Le risque environnemental et social du programme est jugé substantiel, compte tenu de l'intensification de l'agriculture et du développement de centres de taille moyenne de transformation de produits agricoles, dépendants de combustibles fossiles, qui sont associés au programme. Un cadre et un plan généraux de gestion environnementale, sociale et climatique ont été élaborés pour atténuer les risques, mais il conviendra d'établir des plans de gestion environnementale et sociale adaptés à l'échelon inférieur dans le domaine de la mise en valeur des terres et du développement des infrastructures de commercialisation. Le risque social est jugé élevé en raison des éventuelles insurrections, du banditisme, des enlèvements par des acteurs non étatiques et des conflits autour des ressources (en particulier entre agriculteurs et éleveurs pastoraux) qui sévissent dans le pays. L'équipe du programme a élaboré divers documents sur les mesures de sauvegarde dans le rapport de conception. Elle a aussi tracé les grandes lignes d'un plan de gestion intégrée des ravageurs et d'un plan d'évaluation et de gestion de la main-d'œuvre,

qui seront mis au point au début de l'exécution. Par ailleurs, l'AFD entend publier son cadre de gouvernance environnementale et sociale, qui est compatible avec les PESEC.

C. Classement au regard des risques climatiques

40. Le risque climatique du programme est jugé substantiel, en raison des risques importants de températures élevées et de chaleur extrême, de sécheresse, d'inondations fluviales et pluviales, conjugués à des pratiques non durables d'utilisation et de gestion des terres dans la zone d'intervention. Les mesures relatives aux PESEC, assorties de stratégies ciblées d'adaptation aux changements climatiques, sont énoncées dans la note d'examen des PESEC et les annexes correspondantes.

D. Soutenabilité de la dette

41. D'après le rapport de consultation du Fonds monétaire international de mai 2024¹⁴, le ratio dette/PIB du Nigéria devrait passer de 46,3% à 46,6% entre 2023 et 2024, avant de se stabiliser à moyen terme. Le fardeau du service de la dette reste très préoccupant, puisqu'il absorbe environ 56% des recettes fiscales. En raison de la politique de restriction monétaire et de l'augmentation des emprunts pour financer des projets d'infrastructure et des programmes sociaux ou financer les mesures d'atténuation de l'incidence économique des chocs extérieurs, les charges d'intérêt du pays ont augmenté. Pour y remédier, le Nigéria cherche à augmenter l'émission de titres à moyen terme et d'euro-obligations, à maximiser l'appui multilatéral et bilatéral, et à optimiser son programme de mobilisation des recettes afin d'améliorer la soutenabilité de la dette. Dans l'ensemble, le ratio dette publique/PIB reste dans une fourchette gérable, mais un suivi continu et une gestion budgétaire prudente seront indispensables au maintien de la stabilité financière et à la promotion d'une croissance économique durable.

IV. Exécution

A. Cadre organisationnel

Gestion et coordination du programme

42. Organisme chef de file du programme, le Ministère fédéral de l'agriculture et de la sécurité alimentaire mettra en place un comité de pilotage national composé de représentants du Ministère fédéral des finances, du Ministère du budget et de la planification économique et d'autres ministères et de la Banque centrale du Nigéria, auxquels s'ajoutera un représentant ou une représentante des groupes d'agriculteurs; ce comité sera chargé de superviser l'exécution du programme et d'approuver les plans de travail et budgets annuels (PTBA). Un comité de pilotage au niveau des États, présidé par la Commissaire à l'agriculture, supervisera les activités du programme à l'échelle des États.
43. Le Bureau national (établi à Abuja) et ceux des États assureront les fonctions d'exécution et de coordination aux niveaux fédéral et fédéré, respectivement. Ils veilleront à l'établissement de rapports en bonne et due forme sur l'avancement du programme à l'intention du FIDA, de l'AFD et du Ministère fédéral de l'agriculture et de la sécurité alimentaire. Un bureau local du Département de l'agriculture de chaque État participant bénéficiera de l'appui du programme. Au niveau local, les associations de développement communautaire et de services financiers aideront le programme à atteindre davantage de petits exploitants.

Gestion financière, passation des marchés et gouvernance

44. Dans la mesure du possible, les modalités de gestion financière du système national s'appliqueront, à condition de satisfaire aux exigences minimales du FIDA concernant les situations de fragilité et de conflit dans le nord du Nigéria. Une

¹⁴ Voir <https://www.elibrary.imf.org/view/journals/002/2024/102/article-A001-en.xml>.

évaluation des risques sera menée régulièrement pour déterminer le mode de décaissement en fonction des risques au regard des rapports financiers trimestriels intermédiaires. L'équipe du programme aidera le Bureau national et les bureaux locaux de coordination du programme à mettre en place de solides procédures de contrôle interne, étayées par des manuels de gestion financière et de comptabilité. En outre, elle recensera et évaluera toute source de cofinancement en nature provenant de l'État fédéral ou des États fédérés, des bénéficiaires ou du secteur privé (abattements fiscaux, bâtiments, terrains ou main-d'œuvre mis à disposition, etc.) et toute contribution en espèces des bénéficiaires (en dehors des comptes bancaires du programme). Le Bureau de l'Auditeur général de l'État fédéral procédera à l'audit légal du programme. Les états financiers audités annuels seront soumis au FIDA au plus tard six mois après la fin de chaque exercice.

45. **Passation de marchés.** Le FIDA supervisera les activités de passation de marchés du programme, y compris l'examen et l'approbation du plan annuel de passation de marchés. Un manuel d'exécution relatif à la passation des marchés dans le cadre des projets est inclus dans le rapport de conception et servira de référence en la matière. Les Directives du FIDA pour la passation des marchés relatifs aux projets et le Guide pratique de passation des marchés du FIDA régissent les procédures dans ce domaine. Les procédures simplifiées pour la passation de marchés relatifs aux projets menés dans les situations de conflit ou de fragilité pourront être appliquées dans les États concernés, conformément à la lettre présentant les modalités de passation des marchés.
46. **Gouvernance.** Les entités contractantes bénéficieront d'un renforcement de leurs capacités au démarrage, l'accent étant mis sur la post-sélection. La formation à la passation de marchés BUILDPROC sera assurée à tous les niveaux selon les besoins. Dans le cadre de toute activité de passation de marchés, les procédures de compte rendu et de contestation reposeront sur les celles énoncées dans le Guide pratique de passation des marchés au titre des projets du FIDA.

Participation et retours d'information du groupe cible, et mécanisme de réponse aux doléances

47. **Participation et retours d'information du groupe cible.** Les collectivités locales et les bénéficiaires seront sélectionnés en fonction des critères définis dans le manuel d'exécution du programme. Les groupes cibles participeront au programme par l'intermédiaire de leurs représentants. Les informations diffusées dans le cadre du programme et les accords conclus avec les communautés seront mis à la disposition des bureaux des collectivités locales et des institutions représentant les intérêts de tous les groupes cibles, et ce pendant trois mois.
48. **Mécanisme de réponse aux doléances.** Le mécanisme de réponse aux doléances (voir l'annexe V du rapport de conception) permettra aux plaignants de voir leurs problèmes réglés équitablement et rapidement grâce à une procédure indépendante. Le Bureau national et les bureaux locaux de coordination du programme et le FIDA s'engagent à: i) garantir une procédure de plainte souple et efficace; ii) tenir un registre décrivant toutes les plaintes et leur traitement, en accordant une attention particulière au harcèlement sexuel et à l'exploitation et aux atteintes sexuelles (conformément aux directives du FIDA).

B. Planification, suivi-évaluation, apprentissage, gestion des savoirs et communication

Planification et suivi-évaluation

49. Les PTBA seront d'abord élaborés au niveau des communautés, sur la base des activités nécessaires à la concrétisation de la théorie du changement et des objectifs. Les plans communautaires seront ensuite regroupés dans chaque administration locale et chaque État, avant la compilation et la validation d'un seul PTBA, qui sera soumis à l'approbation du Ministère fédéral de l'agriculture et de la sécurité alimentaire et à l'avis de non-objection des financeurs. Le système de

suivi-évaluation s'appuiera sur des approches participatives et des solutions numériques pour obtenir des données de qualité et faire en sorte que les décisions reposent sur des faits objectifs, notamment en ce qui concerne la gestion des situations de fragilité.

Innovations et reproduction à plus grande échelle

50. Plusieurs innovations seront reproduites à plus grande échelle: i) les accords relatifs aux associations de développement communautaire et de services financiers, le but étant d'augmenter le nombre de bénéficiaires ayant accès aux ressources productives et aux services financiers; ii) le modèle 4 P, le but étant de capitaliser sur le succès du Forum des associations de producteurs et de la collaboration avec Babban Gona pour améliorer encore les liens avec les marchés; iii) les bons électroniques pour la distribution d'intrants; iv) le recours aux données pour ouvrir l'accès à l'emprunt à de nouveaux agriculteurs; v) la réduction des risques de crédit pour les agriculteurs des zones rurales reculées.

C. Plans d'exécution

Plans de préparation à l'exécution et de démarrage

51. Pour atténuer le risque de retard de démarrage du programme, une avance initiale estimée à 500 000 USD sera prévue dans l'accord de financement afin que les conditions préalables au premier décaissement puissent être remplies. En outre, l'AFD et le FIDA procéderont à des études de faisabilité avant le démarrage effectif des activités du programme. Le don de l'AFD devrait être approuvé en décembre 2024.

Supervision, examen à mi-parcours et plans d'achèvement

52. **Supervision.** Le FIDA supervisera directement le programme, en collaboration avec l'AFD, le Ministère fédéral de l'agriculture et de la sécurité alimentaire et le Ministère fédéral des finances. Chaque année, des missions de supervision et d'appui à l'exécution seront menées pour examiner les progrès accomplis et faire avancer encore le programme. Ces missions seront complétées par la mobilisation stratégique continue du bureau de pays du FIDA.
53. **Examen à mi-parcours et achèvement.** Un examen conjoint à mi-parcours et une mission d'achèvement seront effectués à la quatrième année et à la fin du programme, respectivement.

V. Instruments et pouvoirs juridiques

54. L'octroi à l'emprunteur/bénéficiaire du financement proposé est régi par un accord de financement entre la République fédérale du Nigéria et le FIDA. Une copie de l'accord de financement négocié figure à l'appendice I.
55. La République fédérale du Nigéria est habilitée, en vertu de son ordre juridique, à recevoir un financement du FIDA.
56. Je certifie que le financement proposé est conforme aux dispositions de l'Accord portant création du FIDA, et aux Principes et critères applicables aux financements du FIDA.

VI. Recommandation

57. Je recommande au Conseil d'administration d'approuver le financement proposé par la résolution suivante:

DÉCIDE: que le Fonds accordera à la République fédérale du Nigéria un prêt à des conditions mixtes d'un montant de cinquante-six millions sept cent mille dollars des États-Unis (56 700 000 USD), qui sera régi par des modalités et conditions conformes en substance aux modalités et conditions indiquées dans le présent rapport.

DÉCIDE: que le Fonds accordera à la République fédérale du Nigéria un prêt à des conditions ordinaires d'un montant de trente millions de dollars des États-Unis (30 000 000 USD), qui sera régi par des modalités et conditions conformes en substance aux modalités et conditions indiquées dans le présent rapport.

Le Président
Alvaro Lario

Negotiated financing agreement

Loan No: _____

Grant No: _____

Programme name: Value Chain Programme in Northern Nigeria ("VCN"/"the Project"/"the Programme")

The Federal Republic of Nigeria, represented by the Federal Ministry of Finance (the "Borrower")

and

The International Fund for Agricultural Development (the "Fund" or "IFAD")

(each a "Party" and both of them collectively the "Parties")

WHEREAS the Borrower has requested a loan from the Fund for the purpose of financing the Programme described in Schedule 1 to this Agreement;

WHEREAS, the Fund has agreed to provide financing for the Programme;

WHEREAS, the Programme is expected to receive co-financing from the Agence Française de Développement (AFD).

NOW THEREFORE, the Parties hereby agree as follows:

Section A

1. The following documents collectively form this Agreement: this document, the Programme Description and Implementation Arrangements (Schedule 1), the Allocation Table (Schedule 2) and the Special Covenants (Schedule 3).
2. The Fund's General Conditions for Agricultural Development Financing dated 29 April 2009, amended as of December 2022, and as may be amended hereafter from time to time (the "General Conditions") are annexed to this Agreement, and all provisions thereof shall apply to this Agreement. For the purposes of this Agreement the terms defined in the General Conditions shall have the meanings set forth therein, unless the Parties shall otherwise agree in this Agreement.
3. The Fund shall provide two Loans (the "Financing") to the Borrower, which the Borrower shall use to implement the Programme in accordance with the terms and conditions of this Agreement.

Section B

1. The amount of the Loan eligible to blend terms is fifty six million and seven hundred thousand United States Dollars (USD 56 700 000) ("Loan 1").

2. The amount of the Loan eligible to ordinary terms is thirty million United States Dollars (USD 30 000 000) ("Loan 2").
3. The Loan 1 granted on blend terms shall be subject to interest on the principal amount outstanding and a service charge as determined by the Fund at the date of approval of the Loan 1 by the Fund's Executive Board. The interest rate and service charge determined will be fixed for the life cycle of the loan and payable semi-annually in the Loan Service Payment Currency, and shall have a maturity period of twenty five (25) years, including a grace period of five (5) years starting from the date of approval of the Loan 1 by the Fund's Executive Board
4. The principal of the Loan 1 will be repaid in equal instalments.
5. The Loan 2 granted on Ordinary terms shall be subject to interest on the principal amount outstanding of the Loan at a rate equal to the IFAD Reference Interest Rate including a variable spread, payable semi-annually in the Loan Service Payment Currency, and have a maturity period of twenty-nine (29) years, including a grace period of ten (10) years, starting from the date as of which the Fund has determined that all general conditions precedent to withdrawal have been fulfilled.
6. The Loan Service Payment Currency shall be in USD.
7. The first day of the applicable Fiscal Year shall be 1 January.
8. There shall be two segregated Designated Accounts denominated in USD for the exclusive use of the Programme, which is to be opened at the Central Bank of Nigeria (CBN), to receive the proceeds of the Financing. The Borrower shall inform the Fund of the officials authorized to operate the Designated Accounts.
9. The Borrower shall open and thereafter maintain a two draw down accounts in Naira to receive Financing from the respective Designated Accounts. The draw down accounts at Federal Government level will be opened in the Central Bank of Nigeria. The National Programme Coordinator will be authorized to manage both the designated and draw down accounts. Each state will operate three accounts in Naira: (i) two state programme accounts to receive the Financing from the respective draw down Accounts; (ii) and a state counterpart funds account to receive state counterpart funds. Each State Programme Coordinator will be authorized to manage the Programme Account and the state counterpart funds account.
10. The Borrower shall provide counterpart financing for the Programme, in-cash and/or in-kind, in the amount of Twelve million United States Dollars (USD 12 000 000) mainly for taxes and duties, Participating States' contribution, as well as to cover costs relating to Programme activities.
11. The Borrower shall open a segregated Project Account for the purposes of depositing the counterpart financing

Section C

1. The Lead Programme Agency shall be the Federal Ministry of Agriculture and Food Security (FMAFS).
2. Additional Project Parties are described in Schedule 1, Section II of this Agreement.

3. A Mid-Term Review will be conducted as specified in Section 8.03 (b) and (c) of the General Conditions; however, the Parties may agree on a different date for the Mid-Term Review of the implementation of the Programme.

4. The Programme Completion Date shall be the eight (8th) anniversary of the date of entry into force of this Agreement and the Financing Closing Date shall be six (6) months later, or such other date as the Fund may designate by notice to the Borrower. The Financing Closing Date will be established as specified in the General Conditions

5. Procurement of goods, works and services financed by the Financing shall be carried out in accordance with the provisions of the Borrower's procurement regulations, to the extent such are consistent with the IFAD Procurement Guidelines.

Section D

1. The Fund will administer the Financing and the Programme will be jointly supervised with AFD.

Section E

1. The following are designated as additional grounds for suspension of this Agreement:

- (a) The Programme Implementation Manual (the "PIM") and/or any provision thereof, has been waived, suspended, terminated, amended or modified without the prior agreement of the Fund and the Fund, after consultation with the Borrower, has determined that it has had, or is likely to have, a material adverse effect on the Programme.
- (b) The Programme Manager or other key Programme staff have been removed from the Programme without prior consultation with the Fund.

2. The following is designated as an additional ground for cancellation of this Agreement:

- (a) In the event that the Borrower did not request a disbursement of the Financing for a period of at least twelve (12) consecutive months without justification subsequent to the first eighteen (18) months from the Effective Date.

3. The following are designated as additional conditions precedent to withdrawal:

- (a) Refund of any outstanding balances of closed projects, and any ineligible expenditures.
- (b) The IFAD no objection to the PIM shall have been obtained.
- (c) The IFAD no objection on the financial management and accounting manual.
- (d) Key Programme staff have been recruited competitively as per Schedule 3 of this Agreement.
- (e) A suitable Programme financial management information system shall have been acquired and installed by the National Programme Coordination Office (NPCO) to meet Programme requirements.

- (f) Subsidiary loan agreements shall have been duly executed between the Federal Government of Nigeria and at least one of the Participating States¹⁵ and a legal opinion issued by the Attorney General of the Federation of Nigeria.

For the avoidance of doubt, a first disbursement to a Participating State can only be effected if there is in place, a duly executed subsidiary loan agreement between the Federal Government of Nigeria and such Participating State and a legal opinion issued by the Attorney General of the Federation of Nigeria.

4. This Agreement is subject to ratification by the Borrower.
5. The following are the designated representatives and addresses to be used for any communication related to this Agreement:

For the Borrower:

Minister of Finance and Coordinating Minister of the Economy,
Federal Ministry of Finance,
Ahmadu Bello Way, Central Business District,
P.M.B 14 Garki Abuja,
Nigeria.

For the Fund:

The President
International Fund for Agricultural Development Via Paolo di Dono 44
00142 Rome, Italy

Copy to: The Country Director, Nigeria

If applicable, the Parties accept the validity of any qualified electronic signature used for the signature of this Agreement and recognise the latter as equivalent to a hand-written signature.

This Agreement dated _____, has been prepared in the English language in two (2) original copies, one (1) for the Fund and one (1) for the Borrower.

FEDERAL REPUBLIC OF NIGERIA

[Authorized Representative]

Date: _____

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Alvaro Lario Hervas
President

¹⁵ Kebbi, Sokoto, Zamfara, Katsina, Jigawa, Yobe, Borno, Kano, Bauchi

Date: _____

Schedule 1

Programme Description and Implementation Arrangements

1. *Target Population.* The Programme shall directly benefit a total of 456,000 rural Households (HHs) receiving services promoted or supported by VCN.
2. *Programme area.* The Programme will cover nine states in northern Nigeria, including: states previously covered by CASP (Sokoto, Kebbi, Zamfara, Katsina, Jigawa, Borno, Yobe), Kano and Bauchi States (*the "Programme Area"*).
3. *Goal.* The goal of the Programme is to contribute sustainably to poverty reduction, enhanced nutrition, and better resilience of rural populations in the northern states of Nigeria.
4. *Objectives.* The objective of the Programme is to improve food and nutrition security and income of households HHs in northern Nigeria through inclusive and sustainable VC development as an enabler for rural transformation.
5. *Components.* The Programme shall consist of the following Components:
 - 5.1 Component 1: Foster climate resilient and nutrition sensitive production. This component aims to: (i) improve productivity, climate adaptive capacity and resilience of the smallholder farming systems in the target Value Chains (VCs); (ii) improve diet quality and nutrition awareness of the target rural HHs; and (iii) improve social cohesion and policy/institutional frameworks.
 - 5.1.1 *Sub-Component 1.1 - Promote sustainable agricultural systems, improved technology, and climate-resilient agricultural practices.* This aims to strengthen the productivity of Small Holder Farmers (SHFs) through the provision of quality inputs; training on Good Agricultural Practices (GAP); investment in irrigation, land preparation and water-smart practices; waterpoints for livestock; environment and climate mainstreaming to build the resilience and the adaptive capacity of SHFs; and support to Persons with Disabilities (PWDs) and Internally Displaced Person (IDP) returnees in appropriate VC activities. Digital solutions such as farmer registry, e-advisory services, and e-voucher system will help mitigate fragility.
 - 5.1.2 *Subcomponent 1.2 - Promote nutrition and gender awareness and practices.* This will promote: nutrition-sensitive VC crops through the selection of the crops with the highest nutrition advantage for each state, backed by market- oriented nutrition sensitive approaches, and bio-fortified seeds; gender- sensitive Social Behaviour Change Communication (SBCC) and nutrition education, and application of nutrition-sensitive Gender Action Learning System (GALS) tools to strengthen the role of gender dynamics at HH level; and context appropriate homestead nutrient-rich food production, and support small livestock starter packages targeting very poor women.
 - 5.1.3 *Subcomponent 1.3 - Promote social cohesion and an enabling policy, and institutional framework.* This aims to: foster community participatory planning involving stakeholders such as farmer-herder, women, youth, private sector and religious/traditional authorities; strengthen capacities of target groups for policy dialogue and advocacy with relevant government, private sector and traditional authorities; facilitate territorial dialogue spaces for fragility and conflict management; specifically, for disputes between SHFs and pastoralists, establishment and strengthening of community-based conflict resolution committees, and local peace/conflict resolution committees.

5.2 Component 2: Enhance inclusive and profitable integration of target groups in the VCs aims to: (i) improve post-harvest handling, value addition, and access to markets in supported VCs; (ii) increase entrepreneurial opportunities for youth and women along the target VCs; and (iii) enhancing beneficiaries' access to financial services.

5.2.1 *Subcomponent 2.1 - Improving post-harvest, value addition, market linkages and partnerships with VC actors. This aims to:* support acquisition of post-harvest infrastructure and equipment, construct/rehabilitate market infrastructure, including access roads to reduce post-harvest losses, and strengthen capacity of Farmer Organisations (FOs); promote multi-stakeholder participatory planning, scale up digital platforms to provide VC services; and leverage VC Public-Private-Producer Partnership (4Ps) platform. Fragility will be mitigated through the development of climate-resilient infrastructure, and the use of digital platforms.

5.2.2 *Subcomponent 2.2 - Promoting entrepreneurship for women and youth will help* create jobs among rural women and youth who are not integrated in FOs and whose access to land is limited, through training, advisory, start-up/business package, access to market.

5.2.3 *Subcomponent 2.3 - Improving access to financial services* aims to enhance beneficiaries' access to financial services, in combination with programme Matching Grant (MG) funds for youth, women and other vulnerable groups, through: capacity building of the demand for rural financial services linkage of SHFs with Financial Institutions (FIs); capacity strengthening of the Financial Service Associations (FSAs) and linkage to financial institutions, developing financial products including for de-risking lending to farmers. Fragility of access to financial services will be mitigated through promotion of weather-based index insurance and FSAs and Community Development Associations (CDA) capacity building.

5.3 *The Component 3 - Programme coordination and management* aim to ensure programme compliance with relevant policies and guidelines, effective and efficient implementation, and Monitoring and Evaluation (M&E) and Knowledge Management (KM). It will leverage the best practices and lessons learned in fragile situations under CASP and capitalise on community participatory approach and digital solutions to ensure transparency, effectiveness, efficiency, accountability, and sustainability of the Programme. This component includes a Response to Emergency and Disaster (RED) mechanism, a disaster response contingency to minimize disruption of activities in the programme areas. RED will be activated by triggers identified in the design report and approval by IFAD.

II. Implementation Arrangements

6. *Lead Programme Agency.* The Federal Ministry of Agriculture and Food Security (FMAFS) is the lead programme agency.

7. *Programme Oversight Committee.* The National Steering Committee with representatives of the Federal Ministry of Finance, Federal Ministry of Budget and Economic Planning (FMBEP), and other ministries, the Central Bank of Nigeria (CBN), and a representative of Youth and Women Groups, will provide oversight to the implementation of VCN and approve the Annual Work-Plan and Budget (AWPB). At the state level, a State Programme Steering Committee chaired by the Commissioner of Agriculture will provide oversight to the VCN activities.

8. *Programme Management Unit.* The National Programme Coordination Office (NPCO) based in Abuja and State Programme Coordination Office (SPCOs) will be responsible for the planning, monitoring, evaluating, coordinating, and supervising programme activities at the federal and state levels respectively while supporting

knowledge management, partnership building and policy dialogue. The key Programme personnel include the following: a National Programme Coordinator, a Financial Controller, Senior Internal Auditor, a Procurement Officer, a Monitoring and Evaluation Officer, an Infrastructure Engineer, an Environmental and Climate Change Safeguards Officer, a Knowledge Management and Communication Officer, an Agricultural Productivity Officer, Social Safeguards/Gender Officer, and a Rural Institutions Development Officer. In addition, for disbursement at state level, all the key positions (State Programme Coordinator, a State Financial Controller, a State Accountant, State Procurement Officer, a State Monitoring and Evaluation Officer, a State Infrastructure Engineer, a State Environmental and Climate Change safeguards officer, a State Development Communication Officer, a state Agricultural Productivity Officer, a Social Safeguards/Gender Officer, and a Rural Institutions Development Officer) must be filled competitively through an open market method of procurement.

9. *Implementing partners.* The VCN approach and activities are also designed to foster partnerships with public sector agencies (government projects in the participating states and relevant national agencies), private sector industry, value chain actors, and service providers including ICT4D firms, civil society organizations, farmer organisations, community development associations, development partners, academic and research organizations. VCN will foster partnerships with AFD RAAMP project and ongoing IFAD projects including Non Sovereign Operations (NSO). VCN will also create synergies with other programmes that pursue a business-oriented agriculture and aim at agricultural transformation through a value chain approach while facilitating an inclusive dialogue spaces for fragility and conflict management; specifically, for addressing disputes between SHFs and pastoralists, including the World Bank- Livestock Productivity and Resilience Support Project - LPRES (World Bank) for improving policy/institutional frameworks for inclusive and sustainable VC development.

10. *Monitoring and Evaluation.* The VCN M&E system will: (i) better inform the Federal and State Governments, NSC, NPCO, and implementing partners on the progress in implementation; (ii) provide reports of results-based evidence in assessing the Programme development effectiveness through routine monitoring of outputs and outcomes that are attributed to the Theory of Change; and (iii) ultimately, inform decision making. The M&E system will leverage on the key national agenda that aims to develop efficient and integrated digitalized systems of development interventions. With guidance from IFAD and the IFAD ICT4D team, VCN will develop an MIS-based system that will be used for data storage, analysis and reporting.

11. *Knowledge Management.* VCN Knowledge Management and Communication (KMC) Strategy will provide tools to ensure the dissemination of information about the Programme, visibility of Programme interventions and achievement, knowledge transfer, and participation of key stakeholders and Programme beneficiaries. The strategy would elaborate on the following KM areas: (i) provide Programme beneficiaries with the necessary material to sustain the technical knowledge acquired with the support of VCN through production of training materials and communication platforms for sensitization, and continuously assess their adoption; (ii) generate evidence-based knowledge acquired from the experience of the VCN in various fields based on the information collected as part of the monitoring of results or thematic studies to inform decision making at implementation and evaluate the Theory of Change; and (iii) share this knowledge in the form of tailored KM products with the technical departments of the FMAFS, IFAD, AFD, other donors, and implementing partners.

12. *Programme Implementation Manual.* A Programme Implementation Manual will be developed at Programme inception, which shall include, inter alia:

- I. Implementation responsibilities of the NPCO and SPCO as well as the terms of reference of Project staff, consultants, service providers and other parties

involved in implementation of the Project, as well as a framework agreement for engagement of service providers.

- II. Eligibility criteria and selection procedure with respect to Project beneficiaries and activities to be financed under the project and
- III. Detailed procedures for Project implementation, including a financial administration manual covering financial management, audit, and flow of funds arrangement.

Through the FMAFS, the NPCO shall forward the draft PIM to the Fund for its comments no later than ninety (90) days after the entry into force of this Agreement. The Lead Project Agency shall adopt the PIM substantially in the form approved by the Fund and shall promptly provide copy thereof to the Fund.

Schedule 2*Allocation Table*

1. *Allocation of Loan Proceeds.* (a) The Table below sets forth the Categories of Eligible Expenditures to be financed by the Financing and the allocation of the amounts to each category of the Financing and the percentages of expenditures for items to be financed in each Category:

Category	Loan 1 Amount Allocated (expressed in USD)	Loan 2 Amount Allocated (expressed in USD)	Percentage
I. Works	12.000 000	6 460 000	100% net of: taxes, Federal and State Government contribution and beneficiary contribution
II. Consultancies, Training and Workshops	11 820 000	3 550 000	100% net of: taxes, Federal and State Government contribution and beneficiary contribution
III. Equipment	15 340 000	2 660 000	100% net of: taxes, Federal and State Government contribution and beneficiary contribution
IV. Matching Grant	9 130 000	11 290 000	100% net of: taxes, Federal and State Government contribution and beneficiary contribution
V. Recurrent Cost	2 710 000	3 020 000	
Unallocated	5 700 000	3 020 000	
TOTAL	56 700 000	30 000 000	

(b) The terms used in the Table above are defined as follows:

- (i) Category III includes Equipment and Materials, Goods, Services, and Inputs, and Vehicles
- (ii) Category V includes operation and maintenance, and Salaries and Allowances

2. *Disbursement arrangements*

- (a) *Start-up Costs*. Withdrawals in respect of expenditures for start-up costs (in Category(ies)) incurred before the satisfaction of the general conditions precedent to withdrawal shall not exceed an aggregate amount of USD 500 000. Activities to be financed by Start-up Costs will require the no objection from IFAD to be considered eligible.

The start-up funds will include inter alia: (i) establishment of the NPMU, SPMU and salaries of key staff; (ii) Elaboration of the Programme 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) establishment of financial management information, and M&E systems; (vi) finalization of the agreement/MoU templates to be used with the States and other implementing partners including the subsidiary loan agreement with states.

Schedule 3

Special Covenants

I. General Provisions

In accordance with Section 12.01(a)(xxiii) of the General Conditions, the Fund may suspend, in whole or in part, the right of the Borrower to request withdrawals from the Loan Account if the Borrower has defaulted in the performance of any covenant set forth below, and the Fund has determined that such default has had, or is likely to have, a material adverse effect on the Programme:

1. Within 6 months of entry into force of the Financing Agreement, the Programme will procure and install a customized accounting software as it is the practice in IFAD on-going supported projects, to satisfy International Accounting Standards and IFAD's requirements.
2. Within six (6) months of entry into force of the Financing Agreement, the Programme will enter into Memorandum of Understandings (MoU) with implementing partners that will structure the collaboration, define roles, responsibilities and duties with regards to implementation, financial management, accounting and reporting.
3. **Transfer of the Proceeds of the Financing to the Programme States.** The Borrower shall ensure that the proceeds of the Financing are not transferred to any Participating State until each such State shall have: (i) opened its State Designated Account; (ii) Programme Account B; (iii) entered into a subsidiary loan agreement with the Borrower, in form and substance acceptable to the Fund, setting forth the scope of the work to be undertaken, expected targets, estimated budget for specific activities, clearly defined target indicators, as well as proposed flow of funds arrangements; and (iv) set up acceptable financial management arrangements to the Fund including adopting financial procedures manual, and hiring of the State Programme Accountant, Internal Auditor and state finance officer.
4. **Planning, Monitoring and Evaluation.** The Borrower shall ensure that (i) a Planning, Monitoring and Evaluation (PM&E) system shall be established within twelve (12) months from the date of entry into force of this Agreement.
5. **Audit.** The Borrower shall ensure that the VCN shall appoint, based on terms of reference approved by the Fund, an independent auditor acceptable to the Fund to audit the consolidated financial statements of the entire Programme on an annual basis, in accordance with international auditing standards and IFAD guidelines on programme audits. An audited annual financial statement for the entire Programme at Federal and State levels, together with a management letter on audit observations on internal controls, shall be submitted to the Fund within six (6) months of the fiscal year end.
6. **Anticorruption Measures.** The Borrower shall comply with IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations.
7. **Sexual Harassment, Sexual Exploitation and Abuse.** The Borrower and the Project Parties shall ensure that the Programme is carried out in accordance with the provisions of the IFAD Policy on Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse, as may be amended from time to time
8. **Use of Programme Vehicles and Other Equipment.** The Borrower shall ensure that:
 - (a) all vehicles and other equipment procured under the Programme are allocated for Programme implementation;

- (b) The types of vehicles and other equipment procured under the Programme are appropriate to the needs of the Programme; and
- (c) All vehicles and other equipment transferred to or procured under the Programme are dedicated solely to Programme use.

9. IFAD Client Portal (ICP) Contract Monitoring Tool. The Borrower shall ensure that a request is sent to IFAD to access the project procurement Contract Monitoring Tool in the IFAD Client Portal (ICP). The Borrower shall ensure that all contracts, memoranda of understanding, purchase orders and related payments are registered in the Project Procurement Contract Monitoring Tool in the IFAD Client Portal (ICP) in relation to the procurement of goods, works, services, consultancy, non-consulting services, community contracts, grants and financing contracts. The Borrower shall ensure that the contract data is updated on a quarterly basis during the implementation of the Programme.

10. The Key Programme Personnel are: Programme Coordinator, Financial Controller, Senior Internal Auditor, Officer for Monitoring and Evaluation, Knowledge Management Officer, Procurement Officer, Infrastructure Engineer, Agriculture Productivity Officer, Rural Institution Development officer, Social Inclusion and Gender Specialist, Environment and Climate Assessment Specialist, State Programme Coordinator, a State Financial Controller, a State Accountant, State Procurement Officer, a State Monitoring and Evaluation Officer, a State Infrastructure Engineer, a State Environmental and Climate Change safeguards officer, a State Development Communication Officer, a state Agricultural Productivity Officer, a Social Safeguards/Gender Officer, and a State Rural Institutions Development Officer. In order to assist in the implementation of the Project, the PMU, unless otherwise agreed with IFAD, shall employ or cause to be employed, as required, key staff whose qualifications, experience and terms of reference are satisfactory to IFAD. Key Project Personnel shall be competitively recruited on the market. The recruitment of Key Programme Personnel is subject to IFAD's prior review and No Objection. Key Programme Personnel are subject to annual evaluation and the continuation of their contract is subject to satisfactory performance and IFAD no objection. Any contract signed for Key Project Personnel shall be compliant with the national labour regulations or the ILO International Labour Standards (whichever is more stringent) in order to satisfy the conditions of IFAD's updated SECAP. Repeated short-term contracts must be avoided, unless appropriately justified under the VCN's circumstances.

II. SECAP Provisions

1. For projects/programmes presenting high or substantial social, environmental and climate risks, the Borrower shall carry out the implementation of the Programme in accordance with the measures and requirements set forth in the Environmental and Social Impact Assessments (ESIAs)/Environmental, Social and Climate Management Frameworks (ESCMFs) and/or Resettlement Action Plans/Frameworks (RAPs/Fs) and Environmental, Social and Climate Management Plans (ESCMPs) for high risk projects and Abbreviated ESIAs and/or Abbreviated RAP/F and ESCMPs for substantial risk projects and Free, Prior and Informed Consent (FPIC) Plans, FPIC Implementation Plans, Indigenous Peoples Plans (IPPs), Pesticide Management Plans, Cultural Resources Management Plans and Chance Finds Plans] (the "Management Plan(s)"), as applicable, taken in accordance with SECAP requirements and updated from time to time by the Fund.

The Borrower shall not amend, vary or waive any provision of the Management Plan(s), unless: (i) agreed in writing by the Fund and (ii) Borrower has complied with the requirements applicable to the original adoption of the Management Plan(s).

2. The Borrower shall not, and shall cause the Lead Programme Agency, all its contractors, its sub-contractors, and suppliers] not to commence implementation of any works, unless all Programme affected persons have been compensated and/or resettled in

accordance with the specific RAP/Abbreviated RAP, FPIC and/ or the agreed works and compensation schedule.

3. The Borrower shall disclose the draft and final ESIA reports and all other relevant Management Plan(s) with Programme stakeholders and interested parties in an accessible place in the Programme-affected area, in a form and language understandable to Programme-affected persons and other stakeholders. The disclosure will take into account any specific information needs of the community (e.g. culture, disability, literacy, mobility or gender).

4. The Borrower shall ensure or cause the Lead Programme Agency and Implementing Agency to ensure that all bidding documents and contracts for goods, works and services contain provisions that require contractors, sub-contractors and suppliers to comply at all times in carrying out the Programme with the standards, measures and requirements set forth in the SECAP 2021 Edition and the Management Plan(s), if any.

5. This section applies to any event which occurs in relation to serious Environmental, Social, Health & Safety (ESHS) incidents (as this term is defined below); labor issues or to adjacent populations during Programme implementation that, with respect to the relevant IFAD Programme:

- (i) has direct or potential material adverse effect;
- (ii) has substantially attracted material adverse attention of outside parties or create material adverse national press/media reports; or
- (iii) gives rise to material potential liabilities.

In the occurrence of such event, the Borrower shall:

- Notify IFAD promptly;
- Provide information on such risks, impacts and accidents;
- Consult with Programme-affected parties on how to mitigate the risks and impacts;
- Carry out, as appropriate, additional assessments and stakeholders' engagements in accordance with the SECAP requirements; and
- Adjust, as appropriate, the Programme-level grievance mechanism according to the SECAP requirements; and
- Propose changes, including corrective measures to the Management Plan(s) (if any), in accordance with the findings of such assessment and consultations, for approval by IFAD.

Serious ESHS incident means serious incident, accident, complaint with respect to environmental, social (including labor and community), health and safety (ESHS) issues that occur in the context of the loan or within the Borrower activities. Serious ESHS incidents can comprise incidents of (i) environmental; (ii) occupational; or (iii) public health and safety; or (iv) social nature as well as material complaints and grievances addressed to the Borrower (e.g. any explosion, spill or workplace accident which results in death, serious or multiple injuries or material environmental contamination, accidents of members of the public/local communities, resulting in death or serious or multiple injuries, sexual harassment and violence involving Programme workforce or in relation to severe threats to public health and safety, inadequate resettlement compensation, disturbances of natural ecosystems, discriminatory practices in stakeholder consultation and engagement (including the right of indigenous peoples to free, prior and informed consent), any

allegations that require intervention by the police/other law enforcement authorities such as loss of life, sexual violence or child abuse, which (i) have, or are likely to have a material adverse effect; or (ii) have attracted or are likely to arouse substantial adverse attention of outside parties or (iii) to create substantial adverse media/press reports; or (iv) give, or are likely to give rise to material potential liabilities).

6. The Borrower shall ensure or cause the Lead Programme Agency, Implementing Agency, contractors, sub-contractors and suppliers to ensure that the relevant processes set out in the SECAP 2021 Edition as well as in the Management Plan(s) (if any) are respected.

7. Without limitation on its other reporting obligations under this Agreement, the Borrower shall provide the Fund with:

- Reports on the status of compliance with the standards, measures and requirements set forth in the SECAP 2021 Edition, ESCMPs and the management plan (if any) on a semi-annual basis - or such other frequency as may be agreed with the Fund;
- Reports of any social, environmental, health and safety incidents and/accidents occurring during the design stage, the implementation of the Programme and propose remedial measures. The Borrower will disclose relevant information from such reports to affected persons promptly upon submission of the said reports; and
- Reports of any breach of compliance with the standards, measures and requirements set forth in the SECAP 2021 Edition and the Management Plan(s) (if any) promptly after becoming aware of such a breach.

8. In the event of a contradiction/conflict between the Management Plan(s), if any, and the Financing Agreement, the Financing Agreement shall prevail.

Logical framework

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
Outreach ¹⁶ VCN	1 Persons receiving services promoted or supported by the project				Programme M&E System	Quarterly/ Annual	Coordination Unit & IFAD	Average HH 6.82 persons/H. It is considered that VCN will account for one (max.) beneficiary per household. One HH member per household is a direct beneficiary. Maintain existing CASP beneficiaries and identification of new VCN beneficiaries in the new and old targeted states.
	Total number of persons		364800	456000				
	1.a Corresponding number of households reached				Programme M&E System	Quarterly /Annual	Coordination Unit & IFAD	
	Number of Households		25536	68400				
	1.b Estimated corresponding total number of households members				Programme M&E System	Quarterly /Annual	Coordination Unit & IFAD	
	Total household members		2487936	3109920				
	Persons receiving services promoted or supported by the project				Project M&E System	Annually	National Programme Coordination Office (NPCO)	
Women Headed Households		31920	68400					
Project Goal Contribute sustainably to poverty reduction, enhanced nutrition, and better resilience of rural populations in the northern states of Nigeria.	Percentage contribution in prevalence of severe food insecurity in the targeted population during the Project years				IFAD, FAO, UN -The State of Food Security and Nutrition in the World Reports	Baseline/Midterm/Endline	National Programme Coordination Office (NPCO), IFAD	Acceptable level of major economic, social, health and climate shocks that have a drastic impact on the country especially on the VCN targeted area.
	Reduction - Percentage (%)	21.3	20	18				
Development Objective Improve food and nutrition security and income of households in northern Nigeria through inclusive and sustainable value chains development as an enabler for rural transformation	1.2.8 Women reporting minimum dietary diversity (MDDW)				COI Survey	Baseline/Midterm/Endline	NPCO	Beneficiaries will have consistent and sufficient access and use of resources including adopting climate-resilient inputs/supplies/ technologies for improved livelihoods Youth and women are granted access to assets; Effective conflict resolution mechanisms are in place.
	Total household members		945416	2332440				
	Households reporting increased income				Project M&E System	Baseline/Midterm/Endline	NPCO	
	Total household members		1243968	2487936				
	IE.2.1 Individuals demonstrating an improvement in empowerment				COI Survey	Baseline/Midterm/Endline	PMU in consultation with IFAD	
	Total number of people		80000	200000				
	SF.2.1 Households satisfied with project-supported services				COI Survey	Baseline/Midterm/Endline	PMU in consultation with IFAD	
	Total household members		1243968	2798928				
	SF.2.2 Households reporting they can influence decision-making of local authorities and project-supported service providers				COI Survey	Baseline/Midterm/Endline	PMU in consultation with IFAD	
	Total household members		621984	1865952				
Outcome Outcome 1 Improved productivity, climate-adaptive capacity and resilience of farming systems in target value chains	1.2.2 Households reporting adoption of new/improved inputs, technologies or practices				COI survey /Thematic studies	Baseline/Midterm /Endline	NPCO and IFAD	Beneficiaries will have consistent and sufficient access and use of resources including adopting climate-resilient inputs/supplies/ technologies for improved livelihoods Youth and women are granted access to assets; Effective conflict resolution mechanisms are in place.
	Total household members		1243968	1865952				
	3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices				COI survey /Thematic studies	Baseline/Midterm /Endline	NPCO and IFAD	
	Total household members		995174	2176944				
	Policy 3 Existing/new laws, regulations, policies or strategies proposed to policy makers for approval, ratification or amendment				COI survey /Thematic studies	Baseline/Midterm /Endline	NPCO and IFAD	
Number - Number		1	3					
Output Output 1.1 Increased land brought under climate/water resilient	3.1.2 Persons provided with climate information services				M&E system	Annual	NPCO	Digital solutions supported by offline capabilities in areas of limited connectivity
	Number of people		223440	410400				

¹⁶ VCN targets 60% men, 40% women (including 15% women headed households), and 30% youth. It also targets 10% Internally Displaced Persons (IDPs) and 10% Persons with Disability (PwD).

management and good agricultural practices , including Improved access to agricultural inputs and advisory services	3.1.4 Land brought under climate-resilient practices			M&E System and Progress reports	Quarterly Annual	PMU	Digital content production in local languages is done Beneficiaries are responsive to climate interventions and try new tools and technologies	
	Hectares of land - Area (ha)		7000					17500
	1.1.2 Farmland under water-related infrastructure constructed/rehabilitated			M&E system	Annual	NPCO		
	Hectares of land - Area (ha)		4892					7756
	1.1.3 Rural producers accessing production inputs and/or technological packages			Project M&E system	Annually	NPCO		
	Number of people		364800					456000
Number of persons accessing digital extension services to increase production and productivity			M&E system	Annual	NPCO			
Number of people		364800				456000		
Output Output 1.2 Increased targeted action to improve nutrition diet diversity and gender transformative approaches	1.1.8 Households provided with targeted support to improve their nutrition			M&E system Progress Reports	Quarterly Annual	PMU	Youth and women are granted access to participate in nutrition and gender equality learning activities. Beneficiaries show interest in diversifying food consumption	
	Number of people		1088472					2176944
	Households reached in the Gender Action Learning System (GALS) methodology			M&E system	Annual	NPCO		
Total number of household members		248794	1243968					
Output Output 1.3 Dialogue spaces supported at territorial level	Policy 2 Functioning multi-stakeholder platforms supported			Progress Reports / M&E system	Annual	NPCO	Effective participation and involvement of key stakeholders in community	
	Number - Platforms		1					3
Outcome Outcome 2 Improved post harvest handling and value addition, and inclusive policies that support access to markets and entrepreneurial opportunities for youth and women along the target value chains.	2.2.3 Rural producers' organizations engaged in formal partnerships/agreements or contracts with public or private entities			COI survey /Thematic studies	Baseline/Midterm /Endline	PMU in consultation with IFAD	The social and agricultural policies (at federal and state level) continue to prioritise the most vulnerable rural population; Community buy-in and willingness to formalise business processes/systems. Proper uses and maintenance of climate resilient of infrastructure	
	Number of POs		4590					5400
	Women in leadership position		30					40
	2.2.6 Households reporting improved physical access to markets, processing and storage facilities			COI survey /Thematic studies	Baseline/Midterm /Endline	PMU in consultation with IFAD		
	Total household members		746381					2176944
	2.2.1 Persons with new jobs/employment opportunities			COI survey	Baseline/MidTerm /Endline	PMU in liaison with IFAD		
Total number of persons		9000	30000					
Number of PwD		450	3000					
Output Output 2.1 Improved access to market infrastructure and post-harvest practices and facilities (storage, processing, food safety)	2.1.6 Market, processing or storage facilities constructed or rehabilitated			M&E system Progress Reports	Quarterly Annual	PMU	Community buy-in and support for the construction and rehabilitation of market infrastructure	
	Total number of facilities		87					217
Output Output 2.2 POs, Youth, and women trained and supported with business packages for entrepreneurship and professional partnership	2.1.2 Persons trained in Income-Generating Activities (IGA) or Business Management			M&E system	Annual	NPCO	Youth and women are granted access to IGA training activities and business start-up packages.	
	Number of people		3555					9000
	Number of PwD		322	715				
	2.1.3 Rural producers' organizations supported			M&E system Progress Reports	Quarterly Annual	PMU		
Total size of POs		363920	456000					
Output Output 2.3 Improved uptake of agri-finance and digital services	1.1.5 Persons in rural areas accessing financial services			M&E system	Annual	NPCO	Financial Services Associations strengthened institutionally and financially, linked with financial institutions, and empowered with digital solutions to scale up delivery of to SHFs, FOs and rural	
	Persons accessing savings		120000					240000
	Persons accessing credit		29840					60000
	Farmers accessing digital e-voucher for production inputs			M&E system	Annual	NPCO		
	Households members		182400					456000
	Total household members		1243968					3109920

Integrated programme risk matrix

Risk Categories and Subcategories	Inherent	Residual
Country Context	High	High
Political Commitment	Substantial	Substantial
<p>Risk: Under the Renewed Hope Agenda, the new Federal Government declared an emergency on Nigeria’s food security situation and developed Nigeria’s Agricultural Transformation Engagement Strategy and an Agribusiness Transformation Engagement Strategy. The VCN is in line with the Renewed Hope Agenda and support the Presidential Deceleration on Food Emergency. (i)However, the new administration at the federal and state level having to deal with socioeconomics crisis there is a risk that government focus will be more on food security and other emergency actions than on transformative strategies. This could lead to delay in decision making and implementation of policies and projects in the agri-food sector. (ii)The socioeconomic crisis having an impact on fiscal space could affect decision making and capacities of governments to pay counterpart funding and limit their investment capacities in the agri-food system transformation. (iii) This crisis can also affect the process of signature of Subsidiary Loan Agreement (SLA) between the Federal Government and States Government. All the aforementioned risks are likely to affect start-up and implementation of VCN.</p>		
<p>Mitigations: (i)VCN will support national food and nutrition security priorities while investing in inclusive sustainable food systems transformation. (ii) IFAD to advocate with FMF and FMAFS for intensifying dialogue with state governments for timely negotiation of the signature of Subsidiary Agreement as required by the Federal Government. (iii) limiting the counterpart funding requirement by state governments to payment of seconded staff salaries and in-kind contribution such as accommodation for the programme office, in line with the recommendations of the IFAD country programme review and the practices of other development partners operating in Nigeria. (iv) strengthen policy engagements with the national and state governments for scaling up private sector investment in food system transformation.</p>		
Governance	High	High

Risk Categories and Subcategories	Inherent	Residual
<p>Risk:</p> <p>In 2023 Transparency International ranked Nigeria 145 out of 180 on the Corruption Perception Index with a score of 25. In view of this rating, new government may introduce measure that could result in delayed disbursement for projects. Corruption could affect the effectiveness and efficiency of project management as well as increase the risk of undue political interference on project. In addition, low capacities, and lack of transparency in financial management, procurement, audit, and M&E also poses high risk to the VCN.</p>		
<p>Mitigations:</p> <p>(i) IFAD ICO will further broaden its oversight mechanisms by exploring relationships with the Office of the Auditor General of the Federation to strengthen compliance to rules of borrowing and projects implementation. (ii) IFAD will work with the Federal Government to promote understanding of rules of project management by high level government decision maker at both Federal and State Level. (iii) IFAD and FGN would work together to ensure transparent recruitment of staff the open market, applying appropriate salary structure and enforcing accountability mechanism including through objective evaluation of performance and strengthened internal audit function. (iv) VCN will also leverage the CPAT expertise to strengthen the NPCO's capacities in financial management, procurement, audit and M&E to reinforce compliance.</p>		
<p>Macroeconomic</p>	<p>High</p>	<p>High</p>
<p>Risk:</p> <p>There is high vulnerability of the economy and public finances to: oil price shocks, insufficient jobs creation for the large number of young Nigerians going into the labour force every year, as well as exchange rate fluctuations and rising inflation caused by the removal of petrol subsidies. The VCN also faces the risk of government inability at the national and state levels to mobilize counterpart funding to leverage the contributions of IFAD and AFD for full impact on VC development with the target groups.</p>		
<p>Mitigations:</p> <p>VCN will: tap into the great potential in the young workforce to boost economic growth through the development of their digital and entrepreneurship skills; leverage partnerships with the private sector and other development partners to enhance the access of youth to financial resources, youth-led enterprises, and digitalization; work with the programme states and LGAs that demonstrate commitment on delivering impact to women and youth farmers; and consider basing unit cost of VCN support to beneficiaries on the USD equivalent to cushion the effect of inflation.</p>		

Risk Categories and Subcategories	Inherent	Residual
Fragility and security	High	High
<p>Risk: The high fragility and security risks in northern Nigeria are attributable mainly to: insurgency in the northeast, banditry and kidnapping crisis in the northwest, the high impact of climate change, and pockets of communal clashes. These problems usually wipe off project investments when farmers are forced to abandon their fields, constrain effectiveness of programme management, and ultimately undermine the achievement of the VCN objective.</p>		
<p>Mitigations: The proposed mitigation measures include: (i) support dialogue and policy dialogue to strengthen policy implementation and institutional service delivery to VCN beneficiaries and others, including the herders; (ii) avoid intervening in the areas characterized by high level of insurgency, insecurity, conflict.; (iii) deepen the use of ICT4D and digital tools deliver services in risky areas without putting at risk project staff; (iv) strengthen activities that promote social inclusion and shared benefits to reduce conflicts (v) integrate conflict and insecurity management committee within community development associations and CAFs; (vi) promote integration of herders in conflict resolution and committee (vii) strengthen the dialogue between FOs and local security committee (viii) involve herders and farmers in community planning process and (ix) integrate a Response to Emergency and Disaster (RED) component to increase VCN's responsiveness to potential natural disasters.</p>		
Sector Strategies and Policies	Substantial	Substantial
Policy alignment	Moderate	Moderate
<p>Risk: The Renewed Hope Agenda of the current Federal Government places a premium on the agricultural sector to drive job creation for youth and improve the food security situation in the country. However, considering the higher level of fragility, conflict and resulting food insecurities in Northern Nigeria, there is the risk that the state authorities will prioritize emergency actions over long term development strategies and policies for food systems (especially with regards to rural and agricultural sector development, and governance of natural resources). In addition, considering difficult economic situation, investments may not be sufficiently pro-poor and/or aligned with IFAD priority themes and target groups (e.g., on land, environment, climate, gender, nutrition, youth, private sector engagement, etc). In addition, high poverty. This has the potential to undermine project implementation and the achievement of project development objectives.</p>		

Risk Categories and Subcategories	Inherent	Residual
<p>Mitigations:</p> <p>Continued policy dialogue and engagement with the government to ensure consistency in policies implementation in line with the SDGs and pro-poor agriculture sector development, food systems best practices. IFAD will provide policy and technical advisory as well as investment funds through its country programme to support pro-poor policy implementation aligned with IFAD priorities (e.g., on land, environment, climate, gender, marginalized groups, nutrition, youth, private sector engagement, etc). Continuous advocacy and awareness building with decisions makers on importance to prioritize transformative pro-poor and cohesion enhancing investments to break the continuous cycle of food and insecurity emergencies.</p>		
Policy Development and implementation	Substantial	Substantial
<p>Risk:</p> <p>The substantial risk of this subcategory in northern Nigeria results from: (i) social isolation and discrimination of individuals and groups, which hinders community cohesiveness; (ii) economic inequality, contributing to social fragmentation, with vulnerable groups (youth, women, PWDs, IDPs) feeling disadvantaged in the community; (iii) political instability and insecurity, contributing to social unrest and division, and (iv) cultural barriers to gender equality, social inclusion and access to services and opportunities within the community.</p>		
<p>Mitigations:</p> <p>The policy and implementation risk will be mitigated by: promoting policy and regulatory framework fostering inclusivity, creating and/or strengthening spaces for open dialogue to strengthen social cohesion, addressing concerns and building connections; implementing programme activities that create opportunities for all community members, addressing poverty and unemployment; empowering community members to have a voice in decision-making processes and foster a sense of civic responsibility; promoting gender transformative approach through GALS methodology; ensuring that decision-making bodies and community leadership reflect the diversity of the population; and promoting strategies on equitable distribution of resources and opportunities among different cultural groups.</p>		
Environment and Climate Context	Substantial	Substantial
Project vulnerability to environmental conditions	Substantial	Substantial

Risk Categories and Subcategories	Inherent	Residual
<p>Risk: The value chain development approach of sustainable rainfed arable crop agriculture in a difficult semi-arid ecology with widespread degradation conditions. poses the risk of poor yield, loss of crops and land conflicts.</p>		
<p>Mitigations: The risk will be mitigation by: (i) developing SECAP safeguard documents (SRN, ESCMF, ESCMP) which will guide environment and climate mainstreaming and NRM; (ii) building on the achievement of CASP by integrating activities that deepen the capacity of farmers in SWC and LR to improve the environment and NRM; and (iii) supporting extension services to promote adoption of GAP.</p>		
Project vulnerability to climate change impacts	Substantial	Substantial
<p>Risk: The unpredictability of rainfall in terms of onset and cessation dates in the VCN programme area poses significant risks to small rainfed agricultural VCs. In recent years, water scarcity in the dry season, alternating with flooding during the short rainy season, have greatly affected farmers' investments in the region. These uncertainties are even projected to increase in the future as the short rainy season gets wetter and the dry season also gets drier.</p>		
<p>Mitigations: The mitigation measures for this risk will include: (i) promote climate-smart GAP practices; (ii) strengthen access to climate information services and climate risk insurance; (iii) support farmers with climate-tolerant and high yield seeds; (iv) promote clean and energy-efficient processing systems; (v) provide capacity building on SWC and LR techniques, and (vi) strengthen extension services to disseminate innovations and digital agriculture technologies that improve climate resilience.</p>		
Project Scope	Substantial	Substantial
Project Relevance	Substantial	Substantial
<p>Risk: The VCN is relevant to Nigeria's priorities and the rural beneficiary needs in northern Nigeria. It is also aligned with the priorities of IFAD and AFD to improve food and nutrition security, income, and resilience of smallholder farmers and other vulnerable segments of the rural population (women, youth, PWDs, IDPs), connecting them to markets and income-generating opportunities and addressing some of main fragility drivers. However, VCN is being implemented in an unpredictable and challenging context which is often associated with a wide range of risks (e.g. social conflict, insecurity, and</p>		

Risk Categories and Subcategories	Inherent	Residual
vulnerability to climate change, food and nutrition insecurity), factors that may hamper the abilities of farmers to produce sustainably.		
<p>Mitigations:</p> <p>VCN will continue to support engagements and dialogues, capacity building and risk management to de-escalate and reduce the current fragility drivers.</p> <p>The design includes actions at different levels to strengthen the beneficiaries capacity to cope with the different risks and challenges, it will adopt a demand-driven and participatory approach, thereby ensuring that interventions are relevant. VCN will promote climate resilient economic activities, partner with NiMET to provide early warning for disaster preparedness, with insurance companies to reduce the risk of complete loss, and with off-takers to provide a profitable market for farmers' produce.</p>		
Technical Soundness	Substantial	Substantial
<p>Risk:</p> <p>Although VCN is not expected to be an extension of CASP, limited institutional memory and quick understanding of the project objectives and technical details at the State levels due to retirement and redeployment of former experienced project staff may affect initial take-off. There may be limited institutional memory at the state level since many of the staff of the predecessor project, CASP which closed two years ago, had moved to other areas. A complete appraisal of the entire programme area was limited due to insecurity, which may underestimate the major technical opportunities and challenges at hand. There is also the risk of over-complexity of the design to address the high level of fragility in the region, all of which may undermine programme implementation and achievement of the development objectives.</p>		
<p>Mitigations:</p> <p>At design, the risk was mitigated by: (i) drawing on lessons learned from CASP and ongoing IFAD and AFD projects; (ii) consultation visits to five out of the nine states, and inviting stakeholders of the remaining four states to join in the consultations in nearby states to understand the needs, gaps and opportunities for VC development in the northern region; (iii) holding meetings with staff of the CASP sustainability projects in three states and with the AFD-assisted RAAMP in Kano, for lessons of implementation and guidance focal areas for VCN; (iv) leveraging the technical expertise and strong knowledge of the country context of CPAT to arrange the field visits to the five states and guide the interactions with the stakeholders at the state and national levels; and (v) identifying and executing complementary studies to fill in data gaps for finalizing the design report.</p>		

Risk Categories and Subcategories	Inherent	Residual
Institutional Capacity for Implementation and Sustainability	High	High
Implementation Arrangements	Substantial	Substantial
<p>Risks:</p> <p>(i) Capacity - there is the risk of a potential erosion of implementation capacity, due to the three years that would have elapsed between the completion of CASP and the start of VCN, the dismantling of the CASP headquarters in Katsina, and some states not sustaining the CASP arrangements and activities after the completion of CASP; (ii) VCN's lack of experience with AFD projects/procedures and lack of capacity to coordinate implementation arrangements that may involve several government agencies, different levels of government, non-government entities, and multiple donor agencies with different procedures and/or reporting requirements; (iii) For financial inclusion, the operational risks of lack of reliable off-takers and markets for farmers' produce and poor implementation of the socially inclusive gender transformative approach, the financing risk of lack of participation by financial institutions (FIs), and the credit risk of non-payment of loan; (iii) For ICT4D, capacity for farmer data management including inaccurate and incomplete data, insufficient financial investment in data infrastructure and management, cultural sensitivity issues on sharing data, poor sensitization or community engagement, funding and language barriers to disseminating weather information, poor adoption and infrastructure of digital extension advisory services, resistance to input distribution through digital e-vouchers, and risks to improving farmers' access to output markets including competition, data security.</p>		
<p>Mitigations:</p> <p>The risk will be mitigated by: (i) Capacity – consider giving some advantage points to applicants who had served successfully in CASP during the recruitment interviews, to bring in useful institutional memory for a quicker take-off of implementation, leverage the technical capacity of CPAT and PCU of the FMAFS to build implementation capacity for staff at the start of VCN, exploit the capacity of the private sector for private-public partnership and service provision in support of VC development activities, and locate the VCN headquarters in Abuja for closer proximity to the national technical support and oversight agencies, and for more effective air links with all the programme states in the face of risky interstate road travels due to banditry and terrorism; (ii) Financial inclusion - apply a market-driven approach where the type, quantity, and quality of production is determined by the off-takers in agreement with the producers, ratified by CAF, seek the buy-in of relevant stakeholders to allow a higher number of women, and youth, PWDs and displaced returnees to participate in the programme and access credit, target the involvement of diverse FIs such as the Development Financial Institutions (DFIs) e.g., Bank of</p>		

Risk Categories and Subcategories	Inherent	Residual
<p>Agriculture, the Deposit Money Banks (DMBs) and Micro Finance Banks (MFBs) and orient Fis and provide technical assistance, make loan disbursement mainly in kind to prevent loan diversion, make loan repayment by the smallholder farmers in kind through the delivery of harvested produce in the right quantity and quality to off-takers who are to remit cash to the loan accounts of farmers in satisfaction of loan repayment, facilitate part-guarantee on loans disbursed under VCN, and, provide agricultural insurance for the beneficiaries; (iii) ICT4D – implement robust data validation processes, conduct regular audits, provide training to data entry personnel, establish clear data collection protocols, conduct regular data quality checks, incentivize farmers for accurate information, allocate a dedicated budget for data management, explore public-private financing partnerships and external funding sources, implement community engagement programmes, respect cultural norms regarding data sharing, use multilingual communication channels, and leverage community networks for dissemination of weather information, collaborate with telecom companies for improved network services, conduct market analysis, robust data encryption, and comply with data protection regulations.</p>		
Monitoring and Evaluation Arrangements	High	High
<p>Risk: The risk rating is based on the lessons of CASP which showed several challenges in M&E implementation, including: (i) absence of field M&E staff to conduct routine monitoring of activities for about half of the project cycle, due to the conflict and fragility situation in the targeted areas; (ii) absence of an M&E coordinator at national level; and (iii) absence of a concise M&E plan, outlining standardized tools, roles and responsibilities.</p>		
<p>Mitigations: To mitigate these challenges, VCN will: (i) Ensure that an adequate budget for M&E, that considers issues of conflict and fragility, provided and clearly outlined in the COSTAB; and (ii) Provide a thorough M&E guidance in the implementation manual that will detail the flow of data from LGA to National level, contextualize the IFAD core indicator definitions as per the project and, provide a detailed framework of an M&E plan.</p>		
Procurement	Substantial	Substantial
Legal and Regulatory Framework	Moderate	Moderate

Risk Categories and Subcategories	Inherent	Residual
<p>Risks:</p> <p>Public procurement in Nigeria is governed by the Public Procurement Act (PPA) 2007, revised 2018; information on bidding opportunities is available on (Nigeria Open Contracting Portal (NOCOPO)); there are Public Procurement Regulations (PPR) for Goods and Works and a separate one for Consulting Services, both 2007, and a Public Procurement Manual. There are 6 open and non-open methods for Procurement for Goods & Works, and 5 selection methods for consulting services. The risks are: (i) Though the Nigeria Bureau of Public Procurement (BPP) has a full cache of bidding documents (4 for Goods and Works, and 5 for Consulting Services), none of these documents have the self-certification forms and requirements, and the SECAP requirements; (ii) Standard contract exists in each bidding document. The contract template is fine but does not cover SECAP and some other IFAD requirements; (iii) Basic contract management in place but no strategic provisions for contract amendments; (iv) The last BPP Annual Report demonstrates that of 984 contracts, less than 2% of its procurement were done by open means and over 50% used direct selection methods without competition, and emergency procedures; and (v) No updated supplier databases to show how bidders are selected to receive invitations for non-open methods.</p>		
<p>Mitigations:</p> <p>(i) Adjustment of procurement thresholds; amendment of emergency procedures; (ii) Need to establish supplier databases (that are updated) to show how bidders are selected to receive invitations for non-open methods; and (iii) Have contract amendment provisions to ensure that critical high-value amendments are properly reviewed while small amendments are processed expeditiously.</p>		
<p>Accountability and Transparency</p>	<p>Substantial</p>	<p>Substantial</p>
<p>Risks:</p> <p>The corruption perception index score for 2023 is 25/100, with a ranking of 145/180. Nigeria is ranked 15th in the Fragile State Index for 2023, and among the 'ALERT' countries. The Procurement Plans posted on the BPP website have not been updated since 2017. Contract award information is absent. Procurement complaints have a 9-step procedure prescribed by law. The 1st level review is made by the procuring entity, and the 2nd level review by BPP instead of an independent body. Decisions by BPP are communicated to the complainant and the procuring entity. There is no sanctions system or procedure by BPP for miscreant bidders.</p>		

Risk Categories and Subcategories	Inherent	Residual
<p>Mitigations: VCN will have all procurement opportunities and contract awards above the applicable threshold advertised in at least 2 newspapers. No mitigation measures identified for the rest of the items.</p>		
<p>Accountability, Integrity and Transparency of the Public Procurement System</p>	Substantial	Substantial
<p>Risks: (i) Risk of procurement approvals leading to significant time wastages as prior review items may need to be cleared by both AFD and IFAD, so a complex government approval procedure for procurement items may negatively affect good time management; (ii) Risk that the required competence and experience on the procedures of international procurement standards and good practices may be lacking in the NPCO.</p>		
<p>Mitigations: (i) Apart from signature of contracts, all procurement approvals should stop with the programme coordinator; (ii) Ensure that Procurement Specialist pursues appropriate training sessions in IFAD procedures (BuildProc, OPEN-E2E), if he or she does not have sufficient experience in donor-funded procurement.</p>		
<p>Public Procurement Operations and Market Practices.</p>	Substantial	Substantial
<p>Risks: Part VI and VII of the PPA provides procurement methods for all categories fully consistent with IFAD's framework. All legal and regulatory framework documents are available at BPP website. Section 31 of the PPA specifies a minimum of 3 for the RFQ method, consistent with IFAD PPF. No minimum is established for other competitive methods. Standard Bidding Documents where available, are mostly consistent with IFAD standard solicitation documents, except for a few items. Not all contract formats are consistent with IFAD's. The minimum number of days for advertised procurement as provided for in the PPR, for Goods/Works and for Consulting Services, are consistent with IFAD's. However, public implementing entities do not usually do a focused market research before procurement planning. The Nigeria procurement framework does not cover SECAP requirements.</p>		

Risk Categories and Subcategories	Inherent	Residual
<p>Mitigations: VCN to: (i) use IFAD's Standard Solicitation Documents (SSDs) across the board for all advertised procurement. The SSDs cover SECAP requirements; (ii) use the IFAD Handbook which has detailed procedures in Module P for contract management, since the Nigeria procurement framework does not carry detailed contract management procedures (apart from Disposal for Goods); (iii) implement and strengthen the use of procurement plans as a planning tool in portfolio project management; (iv) forward a copy of the bid opening minutes to all bidders, without exception; (v) ensure that supplier invoices are processed in a timely manner and that payment is made within 60 days; and (vi) integrate the provisions of the SECAP standards for all stages of procurement, from REOI, RFP, ICB/NCB to contract and performance monitoring.</p>		
Assessment of Project Complexity	Substantial	Substantial
<p>Risks: The project, covering nine northern states in Nigeria and supported by IFAD and AFD, involves complex and high-value procurements across multiple categories, requires substantial procurement expertise, and faces significant environmental risks, although it does not incorporate new procurement methodologies or community participation in procurement processes.</p>		
<p>Mitigations: The Project has developed SECAP safeguard documents (SRN, ESCMF, ESCMP) which will guide environment and climate mainstreaming and natural resource management</p>		
Assessment of Implementing Agency Capacity	Moderate	Moderate
<p>The procurement methods detailed in Part VI and VII of the Nigeria Public Procurement Act 2007 align with IFAD's procurement policies, although updates and specific data such as contract award information are lacking on the BPP website since 2018. While Nigeria's standard bidding documents mostly adhere to IFAD's requirements, they do not integrate IFAD's environmental and climate provisions (SECAP), and there are no standard prequalification documents available online. Additionally, some bid evaluation criteria in the existing documents are not always measurable, and while the PPA supports administrative review of procurement complaints, detailed contract award data is notably missing from the BPP platform.</p>		

Risk Categories and Subcategories	Inherent	Residual
IFAD advises using its Standard Shopping Documents (SSDs) for Quality and Cost-Based Selection (QCBS), National Competitive Bidding (NCB), and International Competitive Bidding (ICB) procurements to fully integrate SECAP considerations and emphasizes the importance of having strategically measurable terms of reference, specifications, and evaluation criteria as part of its due diligence process.		
Financial Management	High	High
Organization and staffing	High	High
<p>Risks:</p> <p>Despite having one of the oldest accountancy bodies in the region, a 2022 report by the Chartered Institute of Public Finance and Accountancy (CIPFA) found that only 42% of Nigerian public finance professionals felt they had the necessary skills to effectively manage public funds highlighting prevalent institutional capacity issues. Capacity is unevenly distributed across the country. Government interference in the recruitment process is prevalent.</p>		
<p>Mitigations:</p> <p>The staff will be recruited through open competitive procedure. The TORs will be cleared and non-objected by IFAD. Staff will receive in depth training on IFAD financial management procedures, fraud and corruption, and ethics.</p>		
Budgeting	Substantial	Substantial
<p>Risks:</p> <p>(i) Weak capacity at the NPCO and implementing entities to prepare and submit accurate work program and budget; (ii) weak consolidation of budgets; and (iii) weak budgetary execution and control; (iv) cost overrun or under run and reasons not detected in a timely manner.</p>		
<p>Mitigations:</p> <p>(i) Early start of budget bottom-up consolidation; (ii) sharp scrutiny for realistic estimates and budget phasing by quarter for IFAD no-objection; (iii) effective budget-module installed at accounting software to monitor deviations; (iv) AWPB reviewed and approved by the steering committee. The project Financial Procedures Manual will define the arrangements for budgeting, budgetary control and the requirements for budgeting revisions. IFR will provide information on budgetary execution and analysis of variances between actual and budget.</p>		
Funds flow/disbursement arrangements	High	High

Risk Categories and Subcategories	Inherent	Residual
<p>Risks:</p> <p>(i) Risk of misuse of funds and delays in payment of invoices/expenditures of activities implemented by various actors; (ii) inadequate coordination between the NPCO and the states during cash flow forecasting leading to cash shortages to pay expenditures; (iii) inefficiencies in management of bank accounts leading to co-mingling of funds; (iv) challenging economic environment may delay the flow of FGN and states co-financing</p>		
<p>Mitigations:</p> <p>(i) Payment requests will be approved by the Coordinator prior to payment of funds to contractors or consultants and implementing entities. Reporting requirements will be included in all implementation conventions and disbursement will be based on deliverables; (ii) states will produce quarterly sources and uses of funds to be used as input for preparation of consolidated cash forecast; (iii) separate designated and operational accounts will be opened for different IFAD financing, AFD financing and counterpart funds.</p>		
Internal controls	High	High
<p>Risks:</p> <p>(i) Misuse of funds and inadequate documentation of incurred expenditures; (ii) Inadequate documentation of transactions and failure that funds are used for the intended purposes with economy and efficiency; (iii) FCS of the implementing states does not permit full compliance with acceptable FM requirements.</p>		
<p>Mitigations:</p> <p>(i) Incorporation of alternative internal control and assurance arrangements for FCS context; (ii) Robust Financial Procedures Manual (FPM) including checklist of support documents for incurred expenditures to be in place, and staff familiar with the FPM; (iii) Independent and effective internal audit and risk management function will be in place; (iv) Enhanced project accountability framework over soft expenditures will be implemented; (v) Biometric identification (fingerprints) of beneficiaries.</p>		
Accounting and financial reporting	High	High
<p>Risks:</p> <p>(i) Poor policies and procedures, lack of qualified accountant staff (capacity staff) and no familiarity with IPSAS accounting system, IFAD requirements, and Federal reporting requirements; (ii) Inaccuracy and delay in submission of IFR due to weak capacity of FM team; (iii) Lack of familiarity of NPCO team leading to some delays in recording of expenditures as well as preparation of periodic financial reports.</p>		

Risk Categories and Subcategories	Inherent	Residual
<p>Mitigations: (i) The project will adopt the IPSAS Cash basis of accounting and financial statements will be configured in the accounting system. Accounting procedures will be documented in the procedures manual; (ii) Training on IFAD FM procedures will be provided to the staff as needed; (iii) A computerized accounting system will be used; IFR and FS will be automated; (iv) IFR and financial statements formats will be agreed on at project negotiations; (v) FM team of the NPCO recruited on competitive basis and capacity building planned before project effectiveness.</p>		
External audit	Substantial	Substantial
<p>Risks: Delays in submission of audit report. The scope of the mission may not cover expenditures incurred by implementing entities.</p>		
<p>Mitigations: Auditor General engagement will be done at the start of the financial year. The project's institutional arrangements allow for the appointment of adequate external auditors and the ToRs (to be reviewed by IFAD) will include field visits and specific report on findings of physical controls of goods, services and works</p>		
Environment, Social and Climate Impact	Substantial	Substantial
Biodiversity conservation	Low	Low
<p>Risks: The VCN programme area harbours some protected areas, forest reserves, and delicate wetland areas (such as the Hadejia-Nguru wetlands) that also serve as important habitats for wintering birds. Desertification, land degradation and biodiversity losses are already serious issues in northern Nigeria because of unsustainable land management practices and significantly contribute to climate impacts and resource conflicts.</p>		

Risk Categories and Subcategories	Inherent	Residual
<p>Mitigations: VCN will: (i) conduct environmental screening for all subprojects to ensure minimal impact on the ecosystems and biodiversity and ensure no activities around protected areas, forest reserves and important wetland areas of conservation significance; and (ii) follow through the activities outlined in the SECAP safeguard documents to protect ecosystems and biodiversity (including agroforestry, SWC, LR, etc.). In addition, the land, soil and water management and sustainable agricultural practices (agro-ecology, agroforestry, inorganic fertilizers, reduced tillage, etc.) have positive impacts on biodiversity due to better air, soil and water conditions. For AFD this positive approach ("Nature+") can be accounted for, with "biodiversity co-benefits" (estimated at 40% of the project's budget, following the current tracking methodology).</p>		
Resource efficiency and pollution prevention	Substantial	Substantial
<p>Risks: The VCN is a natural resource-dependent project that may involve or lead to primary environmentally unsustainable production of living natural resources including arable cropping of value chain crops. Other inherent risks include waste proliferation from production and processing sites as well as excessive use of agrochemicals including inorganic fertilizers and pesticides and the release of pollutants to the environment due to routine or non-routine circumstances with the potential adverse impacts. The cluster farming to be adopted poses the risk of agrochemical pollution as well as massive groundwater drawdown around clusters through tubewell irrigation by several farmers. Adulteration and inappropriate application of agrochemicals could also be an issue</p>		
<p>Mitigations: (i) Resource efficiency and integrated waste management will be promoted and monitoring systems related to air quality (dust, CO2 emission etc) as well as health and safety on the project sites. This includes conversion of rice waste at processing sites to briquettes and biochar; (ii) Periodic monitoring of the groundwater around farm clusters will be conducted to ensure sustainability; (iii) As part of the GAP, farmers will be trained in the appropriate use of fertilizers and pesticides; (iv) Production of compost and farmyard manure will be promoted; and (v) Livelihood opportunities in waste valorization and training of youth in agrochemical application as an enterprise will be explored</p>		
Cultural heritage	Low	Low

Risk Categories and Subcategories	Inherent	Residual
<p>Risks: Some of the communities in the programme area have invaluable material and non-material cultural heritages (mountains, ruins and buried monuments), geodiversity and geo-heritage and long history of culture, traditions, values, and festivals that enrich their heritages. However, the chances that VCN will negatively impact cultural heritage of the people is low.</p>		
<p>Mitigations: VCN will: (i) activate the procedure for chance finds and other protection and handling of cultural heritage throughout all stages and activities of the programme; and (ii) discourage migrant-influx and ensure project beneficiaries are localized around their communities to reduce negative impact of alien culture diffusion into local culture to upset the traditional values.</p>		
Indigenous people	Low	Low
<p>Risks: There are no indigenous people according to the UN classification whose existence is threatened by VCN. However, there are several distinct tribes and cultures spread across the programme area. The risk of exclusion of marginalized and itinerant tribes (such as the nomadic Fulanis) and those with weak political representation is real.</p>		
<p>Mitigations: VCN will deepen social inclusion by considering all the social actors and mainstream inclusion and equity through the targeting, stakeholders' engagement and grievance redress strategies.</p>		
Community health and safety	Moderate	Moderate
<p>Risks: Productivity of the rural population is also hampered by ill-health, particularly HIV/AIDS, tuberculosis, malaria and the COVID pandemic. There is the risk of surface water pollution because of the programme activities that can impact the health of poor people that depend on surface water sources in the programme area. This includes risk of improper application of agrochemicals and water eutrophication. Lack of personal protective equipment (PPE) on farm poses the risk of exposure to schistosomiasis and other water-associated neglected tropical diseases (NTD). Child malnutrition is also high in northern Nigeria, and this poses the risk of increased childhood mortality.</p>		

Risk Categories and Subcategories	Inherent	Residual
<p>Mitigations: VCN will: (i) establish and maintain working relationships with the line ministries (such as health, gender, education) to build synergy in nutrition-sensitive interventions; (ii) create livelihood opportunities in agrochemicals and application and waste valorization by training youths to become experts in agrochemical applications; and (iii) promote the use of appropriate PPE among farmers to safeguard human health.</p>		
Labour and working conditions	Moderate	Moderate
<p>Risks: The total fertility rate, family size and number of children out of school is high in the programme area. Poverty is also very high and literacy level is low. VCN could operate in value chains that are characterized by working conditions that do not meet national labour laws or international commitments. it could also involve child labour. The Child Rights Act (2003) states that: No child shall be employed or work in any capacity except where he is employed by a member of his family on light work of an agricultural, horticultural, or domestic character... and ... A young person under the age of fourteen years may be employed only:(a) on a daily wage;(b) on a day-to-day basis; and(c) so long as he returns each night to the place of residence of his parents or guardian, or a person approved by his parents or guardian. Thus, although the risk of forced labour is low, the risk of using child labourers on the farm is substantial. The risk of women carrying out unpaid labour in their husbands' farms is also substantial. This situation is heightened by the fragility situations across the programme area.</p>		
<p>Mitigation: VCN will: (i) promote the implementation of the GALS which supports collaboration and cooperation between men and women for common goals; VCN will promote a framework to encourage gender equality and inclusive participation and discourage child labour and unpaid women labour, sensitize on community health and safety, and establish an open and well publicized grievance reporting channel and redress mechanism. (ii) within Nigeria's labour law and Child Rights Act, sensitize the programme beneficiaries and stakeholders on the danger of using child labourers, while continually monitoring beneficiaries to ensure compliance.</p>		
Physical and economic resettlement	Low	Low

Risk Categories and Subcategories	Inherent	Residual
<p>Risks: The risk of physical and economic displacement is low as the VCN will not support enterprises on disputed lands. Banditry, the Boko Haram crisis and farmers-herders crisis have already precipitated significant physical and economic displacement.</p>		
<p>Mitigation: VCN will: (i) screen subprojects to ensure no physical and economic displacement; (ii) support the economic empowerment of IDPs and economically dislocated people within the programme area; (iii) advise farmers to avoid lands in designated grazing reserves and around known grazing routes; and (iv) promote compulsory agricultural insurance for producers and processors as a 'no regret' strategy and policy dialogue on land and resource conflicts.</p>		
Greenhouse gas emissions	Moderate	Moderate
<p>Risks: The likelihood of some activities (e.g., rice cropping) as well as unsustainable land management practices and operation of environmentally unfriendly processing machines leading to emission of GHGs is real. In addition, the reliance of processing facilities on fuelwood and charcoal as energy sources poses the risk of GHG emissions.</p>		
<p>Mitigations: VCN will promote climate-smart agriculture and the use of climate information to guide on- and off-farm activities. Safeguard guidelines developed to guide and promote sustainable agriculture will be followed through. Use of clean and renewable energy technology and use of climate information and advisory services will also be promoted.</p>		
Vulnerability of target populations and ecosystems to climate variability and hazards	Substantial	Substantial
<p>Risks: The VCN target group is substantially dependent on climate-sensitive natural resources especially rainfed agricultural plots. For example, Rice, one of the VCN value chain crops, is grown mainly in the FADAMA (inland wetlands) and the fertile alluvial plains of the major river systems. All parts of the programme area have been subjected to extreme flooding in the recent past. Projected future climatic changes suggest that the programme area will experience fluctuations in temperatures and precipitation due to increased climate variability, implying high likelihood of increased dry spells and high intensity rainfall leading to pluvial floods. These could affect the</p>		

Risk Categories and Subcategories	Inherent	Residual
impacts, sustainability and return on investment of the sub-projects. These climate change impacts also heighten the risk of land degradation, desertification, and loss of biodiversity, further threatening the natural resource base upon which the programme interventions are built.		
<p>Mitigations:</p> <p>Mitigation measures include: (i) capacity building of the target groups on climate-smart agricultural production strategies; (ii) strong collaboration with extension and weather/climate monitoring institutions for regular agro-climatic information and use of the climate-resilient seed varieties (early maturing and flood and drought tolerant varieties); (iii) investing in market infrastructure (including market-connected roads and small irrigation structures) to strengthen resilience of small-holder farmers; and (iv) pursuing partnerships with relevant agencies to enable farmers access market information and climate-risk insurance to cover losses to floods.</p>		
Stakeholders	Substantial	Substantial
Stakeholder engagement/coordination	Substantial	Substantial
Risks:		
Socially inclusive stakeholder engagement could be resisted by powerholders. In light of potential conflict in communities where conflict has occurred in recent years, stakeholders hold animosities that prevent dialogue and coordination between players.		
Mitigations:		
Stakeholders will be engaged for conflict prevention and resolution as well as for grievance management, as needed, through common spaces such as the CAF and local community venues. VCN's stakeholder engagement plan (SEP) will consider relevant interventions over the course of the project cycle, from project launch, to mobilization, during implementation as part and parcel of activities and for M&E, learning and planning purposes.		
Stakeholder grievances	Moderate	Moderate
<p>Risks:</p> <p>There is a risk that VCN has ineffective grievance/complaint redress processes (including with respect to allegations of non-compliance with IFAD's SECAP standards, fraud, corruption, or SEA), leading to unaddressed stakeholder complaints that may undermine programme implementation and achievement of the development objectives.</p>		

Risk Categories and Subcategories	Inherent	Residual
<p>Mitigations: VCN will: (i) maintain robust knowledge management, information dissemination and community engagements to keep everybody informed; (ii) implement a simple SEP with a clear complaint/grievances redress and dispute resolution framework, which is make known to all stakeholders. The Grievance Redress Mechanism (GRM) identifies potential issues that may necessitate grievance redress and mitigation, providing access to information on a regular basis to help prevent grievances from arising in the first place, or from escalating to a level that can potentially undermine project performance</p>		