

Country / User:

Nigeria

## I. Project partners contact information

UN Resident Coordinator

**Name:**

Edward Kallon

**E-mail:**

edward.kallon@one.un.org

UNCT contact person

**Name:**

Kwasi Amankwaah

**Agency:**

RCO

**Title:**

Coordination Specialist

**E-mail:**

kwasi.amankwaah@one.un.org

## Partner contact information

Partner 1 Contact Person

**Name:**

Nourou Macki Tall

**Organization / Company:**

FAO

**Title:**

Representative a.i.

**Email:**

NourouMacki.Tall@fao.org

Partner 2 Contact Person

**Name:**

Dennis Zulu

**Organization / Company:**

ILO

**Title:**

Representative

**Email:**

zulu@ilo.org

## Partner 3 Contact Person

**Name:**

Anders Aeroe

**Organization / Company:**

ITC

**Title:**

Director, Division of Market Development

**Email:**

aeroe@intracen.org

## II. Project summary

---

**Project title:**

Food Africa Project – Empowering Youth and Promoting Innovative PPPs through More Efficient Agro-Food Value Chains in Nigeria

**Sectorial area of intervention and policy objectives**

Inclusive economic growth for poverty eradication

- Create opportunities for decent jobs and secure livelihoods.

- Create better government policies and fair and accountable public institutions.

- Promote inclusive and sustainable business practices.

**Project summary:**

NOTE. DECISION BY SDG FUND STEERING COMMITTEE (5 December 2017). "Subject to the assessment of the agencies (UNCT) of the feasibility of an accelerated plan to be decided before January 31, the SC proposed in principle to allocate up to a maximum of \$1 M to the Food Africa project, on the basis of an accelerated, high-impact 2018 implementation plan of the first phase, and also provided that a mid-term evaluation could also be completed by end-2018."

\*\*\*\*

The Food Africa Project is an innovate partnership between Sahara Group, the United Nations' SDG Fund, FAO, ILO, ITC, the Roca Brothers and the Kaduna State Government, aimed at promoting replicable integrated solutions to agro-food value chain development, food security and nutrition, youth employment and poverty alleviation. The project focuses on identifying and testing a replicable model in Kaduna State, Nigeria with a view to scaling-up in other countries in Sub-Saharan Africa.

Addressing post-harvest losses and the lack of processing, the project will work with local actors to identify market-driven business models for agribusiness development. It will contribute to the establishment of food processing facilities which meet market requirements and buyers' standards, allowing farmers to improve their livelihoods through access to new market value chains. These facilities will be responsive to markets and buyers, will undertake conditioning and processing and also serve as a training facility and Centre of Excellence. They will provide vocational training in agriculture and agro-processing with a view

to identifying best practice and promoting its replication. The project will, in addition, create a database profiling farmers and employ GIS-based mobile telephony to connect farmers to extension workers, the facilities and other local markets.

The driving force of the project will be the empowerment of capable young women and men from local communities in the Kaduna State region. All project activities will thus be carried by a core team of 20 locally-selected young community facilitators (exact number to be determined), who will benefit from a two-year full-time vocational traineeship, comprising training in technical skills, business management and a mentoring programme. They will in turn train at least 4,500 beneficiaries using the Farmer Field School Methodology throughout the duration of the project, under the supervision of the Project Management Team.

The project aims to further improve efficiencies in the value chain, establishing a “minimart” close to the food processing facilities to sell produce that does not meet the specifications/requirements of the processing facilities, thus reducing waste. The capacities of existing markets in the area will also be upgraded, improving hygiene, food safety and the business of local petty traders. The project will take an active approach to promoting entrepreneurship and new start-ups, by providing technical support to at least 1,000 local young women and men and nominal grants awarded on a competitive basis to those showing the most promise throughout the course of training activities.

Finally, at a higher level, the project will also contribute to improved policy and inter-sectorial coordination between government line ministries. It will strengthen the capacity of and support the national government to develop and implement policies and provide public services that enhance inclusive and sustainable development in food and agriculture.

#### Forward - Backward Integration Model

Using a forward - backward integration model, the project will optimize agro-food value chains, improve efficiencies and engage and attract private investment in the agribusiness sector.

An illustration of the forward- backward integration strategy is shown below:

To quickly summarize, the primary objectives of the partnership are to:

- Promote employment, improve livelihoods, and empower young women and men – at least 5,000 people will benefit directly and up to 50,000 people in local communities in Kaduna State area indirectly
- Identify and assist farmers in overcoming bottlenecks to increase agro-production, achieve economies of scale and access markets
- Put necessary infrastructure into place in a cost-effective manner – including currently non-existent aggregation, agro-processing and distribution facilities, ensuring volume and quality through better post-harvest handling, food safety throughout the value chain and high quality products and packaging
- Improve food security and nutrition – by increasing the quantity and quality of fruits and vegetables available in the market place, reducing post-harvest losses and recovering and comprehensively utilizing food waste, thereby contributing to improved food security and nutrition and allowing for further income-

generating opportunities

- Develop and disseminate a replicable model for improving and increasing production through targeted infrastructure investments to foster agribusiness development in Kaduna State

**Duration:**

Sunday, January 1, 2017 to Monday, December 31, 2018

**Project Partners:**

Sahara Foundation

UN specialized agencies: FAO, ILO, ITC and RCO

The Roca Brothers

Kaduna State Government

Other government line ministries

**Local Partners:**

Kaduna State Government

Local NGOs and Women's Groups

Local private companies as necessary

### III. Project budget

**Budget breakdown:**

Staff and other Personnel Costs	759,987.00
Supplies, Commodities, Materials	457,621.00
Equipment, Vehicles and Furniture including Depreciation	305,000.00
Contractual Services	630,729.00
Travel	300,913.00
Transfers and Grants Counterparts	954,869.00
General Operating and Other Direct Costs	280,300.00
Indirect Support Costs	98,131.00

<b>Total</b>	
--------------	--

Aggregate amount requested and broken down by UNDG Harmonized Budget Category

	SDG-F Budget	Sahara Group	FAO	ILO	ITC
<b>Staff and other personnel costs</b>		300,000.00	100,000.00	39,987.00	20,000.00
<b>Supplies, Commodities, Materials</b>		200,000.00	57,621.00		

<b>Equipment, Vehicles and Furniture including Depreciation</b>		100,000.00	60,000.00	45,000.00	
<b>Contractual services</b>		300,000.00	20,000.00		
<b>Travel</b>		80,000.00	40,000.00	40,913.00	10,000.00
<b>Transfers and Grants Counterparts</b>		400,000.00	154,869.00	100,000.00	
<b>General Operating and Other Direct Costs</b>		120,000.00	65,060.00	24,100.00	10,000.00
<b>Indirect support costs</b>					
<b>Grand TOTAL</b>	1,000,000.00	1,500,000.00	497,550.00	250,000.00	40,000.00

## IV. Project description

### Background and rationale:

The most populous country in Africa, Nigeria has achieved consistently high rates of economic growth of around 7% over the last decade yet, at the same time, approximately 61% (2012) of the population still lives in absolute poverty and the country ranks 153rd out of the 187 countries in UNDP's Human Development Index (HDI) for 2016. Food security has become a challenge for many countries across Sub-Saharan Africa. From self-sufficiency in the 1960s, Nigeria became and has remained a net food importer since the 1980s. Notably, it is the largest net importer of rice in Africa and is expected to import some 7 million tonnes of cereals in 2016. With exchange rate fluctuations and increasing fuel prices, it is thus also vulnerable to external shocks.

The Government of Nigeria has, for several years, pursued a policy of economic diversification away from the oil and gas sector, which remains the largest on the continent, and instead placing greater emphasis on agriculture (and allied industries) due to the widely-recognized multiplier effects the sector has on rural economic growth. In its Vision 2020, the government focuses on an agricultural transformation to achieve the multiple goals of food security, sustainable development and adaptation to climate change. The sector has great potential for growth and improved efficiencies. Nigeria has 84 million hectares of arable land but at present only 40% is cultivated. Agriculture accounts for an estimated 70% of national employment, but only 22% of GDP, thus indicating a significant potential for productivity gains. The obstacles to this however, are complex. Land ownership is fragmented, with tenure passed from generation to generation and agriculture is overwhelmingly rain-fed, with less than 1% of cultivated land benefiting from irrigation, resulting in low levels of productivity. The effects of climate change must be considered, including changing/erratic patterns of rainfall and higher temperatures - the World Bank estimates climate change could result in falls in output of up to 30%. Inadequate infrastructure, particularly poor rural roads and limited access to electricity, also poses obstacles to achieving scale. Smallholders struggle due to a lack of

good quality inputs, insufficient access to extension services and a lack of storage facilities and local agro-processing, all of which results in low levels of productivity and high post-harvest losses, often as high as 50-70%.

Gaps in the value chain must also be addressed. A lack of agro-processing currently means that, although Nigeria is the second largest producer of citrus fruits in the world, it is also a net importer of orange juice; similarly, it is the largest producer of mangoes and pineapples on the continent but also imports concentrates from South Africa. Tomato paste is a key staple in the local diet and some 1.5 million tons of tomatoes are harvested each year, however, post-harvest losses of 75% mean that Nigeria imports US\$ 1 billion in tomato paste each year, mostly from China. Aggravating this situation, in May 2016 Kaduna State Government declared a state of emergency over tomato shortages caused by the “tomato leafminer”, a fruit-eating moth that has destroyed an estimated 80% of tomato farms in the state and has significantly increased price in local markets.

#### Value Chain Development – Information Gaps

Imperfect information, geographic dispersion of agro-production, lack of transport and poor roads mean that intermediaries with access to distribution channels and final markets are able to buy from smallholders at prices far below those possible on the open market and then sell at a premium, often without adding value to the original produce/products or with no other services rendered to the farmers. Likewise, smallholder farmers typically have no access to storage and little knowledge of how to preserve their produce/crops therefore finding themselves under pressure to sell immediately following a harvest to avoid losses in income due to spoilage. With no access to market information, small volumes and a lack of organization, smallholders have very limited market power and are not aware of current market rates, leaving them at the mercy of traders and middlemen, a situation exacerbated in the case of a bumper harvest.

The project will ascertain from buyers their anticipated procurement needs, standards, logistics and payment requirements and present them to farmers, support service providers and other value chain stakeholders to determine the current and growth opportunities that exist, as well as the produce, working practices, equipment and standards required to secure contracts.

#### Youth Employment

Nigeria has a high fertility rate- more than five children per woman- and a young population, with the median age being only 19 years of age. The country faces the challenge of maintaining of sufficient rates of growth to absorb all school leavers entering the market, an estimated eight million annually. At present, youth unemployment is high, with an estimated 50 million young people out of work.

Unemployment among those aged 18-34 years of age is higher in rural areas and this has been attributed to rapid population growth and inadequate infrastructure, poor teacher training and absenteeism in rural areas, often due to farm work. According to OCHA, approximately 2.2 million people have been displaced as a result of conflict in the North, with wide-ranging impacts on agriculture and economic activity. High

unemployment has been linked to insurgency and economic growth and the creation of employment and income-generating activities are recognized as part of the long-term solution.

With regard to the occupational safety and health aspect, young workers involved in farm work are generally enthusiastic, however, like other new and inexperienced workers, these young workers are more likely to be injured on the job if they don't receive adequate safety training and supervision. Some injuries have a lifelong impact and some are even fatal. Furthermore, on-the-job injuries can present a significant risk/cost to a business when they can be effectively mitigated/prevented through appropriate training.

### Women in Agriculture in Nigeria

According to the World Bank (2014), 60% of male-headed households and 44% of women-led households are engaged in agriculture. While 90% of all households produce their own staple foods, there is a considerable difference in capacities and access to land and inputs.

Women are legally permitted to inherit land, however, in practice, land is still normally inherited by men. Women engaged in agriculture in Nigeria tend to have less access to land, on average 0.3 hectares in size compared to the average 0.6 hectares amongst men; 67% of male managers have the right to sell plots compared to only 31% of women. On average, men own larger and more valuable livestock (cows, oxen) and women smaller, less valuable livestock (goats, sheep, poultry), they are also more likely to have access to agriculture inputs, tools and mechanized implements than women are. The gap in knowledge is also vital to the differences in yields, with 15% of men-led households having access to extension services compared to 8% of women.

Evidence also shows that, apart from lack of inputs, women have less access to human capital and also suffer time constraints as the burden of housework and childrearing still falls on women.

### Financial Inclusion - Access to Credit

Low financial inclusion has far-reaching implications for the agricultural sector and for livelihoods. An estimated 34.9 million adults, or 39.7% of the adult population, in Nigeria were "unbanked" in 2012. Empirical evidence shows this is closely linked to income levels, financial institutions' requirements in terms of documentation and literacy rates. Total adult literacy was 51% in 2012, although the literacy rate among youth is higher, at 75.6% for men aged 15-24 and 58% for women in the same age group. Many farmers are thus unable to access credit through formal channels; those unable to call on personal networks must resort to informal markets which are also in turn a limiting factor to achieving economies of scale. The importance of the private sector in this particular regard and to the long-term growth of the sector cannot be underestimated.

At the same time, it must be noted that women farmers are at a further disadvantage, as they are less likely to inherit/own land, which they can use as collateral to obtain credit. At present, only one third of loans in Nigeria are made to women and some financial institutions require the express permission of a woman's husband to grant a loan.

The project will review the availability of affordable financial advisory services for farmers and agri-food enterprises in the area related to financing of responses to new agri-food market opportunities. Selected farmers and enterprises may be assisted in preparing proposals for financing and in coordinating the necessary local technical assistance in food safety and compliant production advice. If necessary, the project may meet with Nigerian Finance institutions to raise awareness of the project and its beneficiaries with a view to interesting institutions in financing project beneficiaries' growth.

#### Information and Communication Technology (ICT) in Agriculture

With the gaps in knowledge, market information and the reach of extension services, ICT carries great potential for the agricultural sector in Nigeria. Mobile applications linked to a farmer and agri-food enterprise database that shows the GIS coordinates of farms and fields allow farmers to access many types of value-added services. For example, these applications can be used for one-way, two-way mass text communications and can link to other databases. They can reduce travel, isolation and transactional costs for information acquisition, permit market-compliant traceability, efficient organization of agriculture extension services and collections.

At present, some 150 extension workers serve approximately 600,000 farmers in Kaduna State and mobile phone penetration appears to be high in the project's operating area, which also suggests a good potential for deployment. FAO is conducting a three year pilot, Agricultural Market Information System (2014-2017), in Kaduna State targeting 300 local farmers. There are also already many offerings in mobile app technology and pilot projects in many countries in Sub-Saharan Africa to draw upon. The project will endeavor to take stock and identify solutions appropriate for the targeted beneficiaries.

#### **Mainstreaming of gender and women's empowerment:**

Many young women, particularly in rural areas, are traditionally engaged in unpaid family/ domestic work, with little access to skills development opportunities or employment services outside the home.

The increase in unemployment and underemployment rates between 2010 and 2015 were more marked for women than men. For instance, in 2010, 4.9% of males were unemployed while 15% were underemployed whereas for females, 5.6% and 18.1% were unemployed and underemployed, respectively. By 2015, 24.5% males were either unemployed or underemployed whereas 34.3% of females were either unemployed or underemployed.

The project will strive to promote gender equality and women's empowerment, ensuring the equal participation of men and women, foster mentoring, incoming-generating activities, access to finance and a small grants programme awarded competitively. The project will also create a market space close to the food processing facilities to sell off specification produce and also strengthen of local markets in the area which will also allow for further opportunities for income generating activities for women and targeted training will allow women to develop technical skills related to their businesses, diversify their sources of income, improve their business and financial management skills and identify and access credit.

The project will conduct a gender gap analysis to find out the challenges women's participation in the sector and how to effectively target women in identifying beneficiaries. Technical training will also



incorporate training on gender and the importance of women's roles in the communities. All data on beneficiaries will be gender-disaggregated.

### **Sustainability:**

Climate change resilience and environmental sustainability

The project will introduce farmers to Good Agricultural Practices (GAP) to optimize their use of water, agricultural inputs and post-harvest handling, thereby improving their environmental sustainability and promoting climate change resilience. A reduction in post-harvest losses will mean savings for farmers in terms of in factor inputs, labour and increased sustainability.

Facilities will be located close to sites of production and, with the creation of a small market space close to the food processing facilities to sell off specification produce and strengthen local markets in the area, PHL will be reduced as will the environmental impacts related to transport and distribution. The food processing facilities will employ cleaner production techniques, energy efficient technologies and comprehensive utilization of resources, ensuring for example that waste water/ grey water is recovered where possible to save precious water resources. Natural light will be made use of where possible to reduce electricity usage. Storage areas will be built ensuring appropriate control of ambient conditions to prevent losses due to dehydration and deterioration in quality.

The comprehensive utilization of resources, including byproducts, will also allow for diversification in income sources and reduce operational costs. The facilities will make use of agricultural residues including pomace, which still has high nutritional value, which will be sold on to producers of animal feed.

Apart from production processing, management and occupational safety and health, good recordkeeping, including of financial records, production, quality assurance and sales will be maintained so that the facilities are able to understand and improve on their performance.

### Sustainability of results

The project aims to leverage innovative public-private partnerships for market-driven business models for agribusiness development, establishing food processing facilities which will employ a joint ownership model. It will contribute to the establishment of food processing facilities which meet market requirements and buyers' standards, allowing farmers to improve their livelihoods through access to new market value chains. Any profit generated by the facilities will be used to finance the costs of running the Centre of Excellence and demonstration centre which will be modelled on the Leventis Foundation in Nigeria and will train young women and men in sustainable agriculture and agro-processing. The project will address the skills gaps and the gap in entrepreneurial skills, as well as the lack of formal vocational organizations by providing cost-effective training and the chance for local young people to learn technical skills on the job, thus improving the long-term sustainability of the results.

Vocational traineeships form a key part in the delivery of services and implementation of the project. Local young women and men will benefit from training in best practice in agro-production and processing, financial and business management and a personal mentoring programme. The project will therefore not

only put infrastructure in place, but also help strengthen local capacities.

In addition, project results will serve to inform government policy and targeted policy-level interventions, identifying constraints and ensuring better policy and inter-sectorial coordination.

**Public-private partnerships:**

The Food Africa project is an agriculture and livelihoods initiative envisaged to integrate the entire food value chain – the farmer, wholesaler, retailer and consumer – providing a sustainable source of food security, poverty eradication, skill acquisition and social inclusiveness.

The project strategy seeks to identify gaps for improved value chain integration and the realization of a backward and forward integration model which will ensure value creation and provide the enabling environment required to support farmers in implementing best practice, bringing their products to market and reducing losses and wastage.

The project will pilot solutions for market-driven business models for agribusiness development, to help add value to produce locally, reduce post-harvest losses and ensure sustainability. Possible models include:

(i) A partnership with major buyers, i.e. supermarket chains, etc. to provide inputs with regards to defining, building, equipping and organizing the facilities necessary to comply with production and sales requirements or

(ii) A hybrid/public-private ownership structure, where the facilities will be jointly owned by selected cooperatives and other farmer-based organizations who will be assisted to develop an appropriate business strategy and provide them with the skills they need to run the facilities.

There are similar models which can be referenced including the for-profit social enterprise, Tomato Jos, and the agricultural franchise model employed by Babban Gona, both of which operate in Kaduna State. FAO has similar experience in promoting agropreneurship, particularly in rice mills in West Africa, including in Nigeria

Through the market studies which will be conducted in the inception phase, project partners will scope and decide on the model and food products/ intermediate food products the centre will produce and identify the specific local and national markets and clients, wholesalers, retailers, etc. to whom the facilities will sell its products. These studies will form the basis for conducting feasibility studies and inform the design of the facilities themselves to ensure that they will be able to cover their own costs, after which the facilities will no longer require assistance from the project partners.

Through training provided by FAO, the facilities will operate an out-growers scheme, procuring directly from farmers and farmer organizations, cutting out the middlemen and thereby increasing efficiencies. Any profit generated will go towards the running costs of the Centre of Excellence which will also generate revenues from the training it provides. A combination of background studies and consultations with farmer organizations as well as the Ministry of Agriculture and Forestry of the Kaduna State Government will

determine the exact ownership model.

### **Civil society participation:**

In addition to Ministry of Agriculture and Forestry of the Kaduna State Government, the project will engage and consult local cooperatives, farmers' organizations, academia and women's organizations to ensure a participatory approach in project implementation. Through its Training of Trainers approach, it will also work with local NGOs to help identify suitable candidates and project beneficiaries.

The use of local facilitators from Kaduna State region will strengthen ownership. Participants will be selected based on their commitment, objectives for the traineeship and related experience.

### **Justification of the Joint Programme modality:**

The SDG Fund and Sahara Group are responsible for project design and will together provide the bulk of the co-financing, mobilize matching fund contributions and oversee the preparation and implementation of the work plan in agreement with all partners. They will identify best practice and seek to replicate lessons learnt in Sub-Saharan Africa and beyond.

The Resident Coordinator's Office will play a key role in coordination and oversight of all interventions in-the-field and will represent the UN System in Nigeria on the National Steering Committee, ensuring alignment with UNDAF and national priorities.

UN specialized agencies, FAO, ILO and ITC will assume responsibility for technical assistance in their core areas of expertise and implementing those activities agreed upon in the work plan, including the feasibility, baseline and market studies, training of farmers, cooperatives and farmer-based organizations, and occupational safety and health. They will assume responsibility for monitoring, including routine reporting on their respective activities. They would bring the latest know-how, including tools to track and effectively reduce post-harvest losses and full-cost accounting in line with international best practice.

FAO shall assume responsibility for overall coordination and technical assistance in its areas of mandate including the feasibility, baseline and market studies, training of farmers, cooperatives and farmer-based organizations, and occupational safety and health. In particular, FAO would promote Good Agricultural Practices (GAP) to the farmers through agronomic and natural resources management techniques, climate smart agricultures that will optimize use of water and agricultural inputs, improved post-harvest handling, thereby increasing environmental sustainability and promoting climate change resilience. FAO will provide interventions which will help contribute towards i) Improved access to agro-processing, value chain integration and development and post-harvest losses, ii) Improved capacities of farmers, agricultural practices and yields in agricultural production and business management, iii) Improved agricultural yields and strengthened capacity of farmers in financial management, and iv) Improved policy and inter-sectorial coordination. FAO will also work closely with other partners for monitoring, including routine reporting on overall and individual respective activities.

ILO will draw on its integrated Training for Rural Economic Empowerment (TREE) programme and its experience organizing and empowering local communities; identifying and assessing economic opportunities; planning and delivering training matching pre-identified opportunities; and, providing post-training support (business management, access to credit, savings groups). ILO will also introduce its Know

About Business (KAB) and Start and Improve Your Business (SIYB) training packages to foster the entrepreneurial spirit needed to build a new generation of young entrepreneurs in the agro business sector. In addition, ILO will introduce practical training to improve safety, health and working conditions in the agricultural sector through its Work Improvement in Neighbourhood Development Programme (WIND).

ITC will draw on its experience with the Bouake market in Côte d'Ivoire and its Alliance for Action projects in Ghana, other West African and East African countries to contribute expertise in mapping, profiling and organizing farmers, support services, and agri-food enterprises, linking equitable trading buyers with beneficiaries to improve their skills and capabilities, transferring know-how in sustainable and market compliant food and agri-business development, its processes for reviewing the legislative and regulatory environment and access to finance.

The Roca Brothers will play a key role in establishing the Centre of Excellence, through Training-of-Trainers modality to build the capacity of a team of local trainers. They will provide their technical expertise, including the sharing of best practices in resource efficiency, recycling and recovering of waste as secondary resources to help optimize the operations of the processing facilities. The Rocas' team will also contribute to the communications and advocacy campaign.

The Federal Ministry of Water Resources will provide a seven hectare plot of land upon which the facilities will be constructed and facilitate access to utilities and year-round armed security for the facility.

The Kaduna State Government will support the implementation and oversight of all project activities. The state government will collaborate with other state-level stakeholders to improve local infrastructure, including rural roads to allow access to the facilities and farmland, and will share relevant policy information, databases, etc. at its disposal. They would also play a vital role in assisting in the identification of potential farmers to take part in the out-grower's scheme.

### **Regions of intervention:**

The project will be implemented in Kaduna State, in North-West Nigeria, where government statistics indicate that poverty is the second-highest in the country, after North-East Nigeria. In this regard, the World Food Programme (2013) notes that the North-West and North-East regions have the highest incidence of vulnerability and food insecurity in Nigeria and are also most vulnerable to droughts. Household sizes, with an average of 6-7 members, are larger than the national average of 5.77 and a higher number of dependents means is an exacerbating factor in food insecurity and poverty.

Located on the Kaduna River, a tributary of the Niger River, Kaduna State, with its rail and road infrastructure, is a trade center and a major transportation hub for the surrounding agricultural areas. Kaduna State has a population of six million people and its capital is one of the most important cities in Nigeria due to its place in the history of the political development of the country. The Kaduna State Government considers the development of the agricultural sector a high priority, has committed to empowering youth through agriculture and adopted a counterpart funding approach with the Bank of Agriculture to invest N1 billion (US\$ 5.02 million) through single digit interest (5%) loans. The state has successfully trained 7,650 youths and women under the SURE-P skills acquisition and empowerment program.

In recent years, the government has put in place infrastructure conducive to supporting agricultural development in Kaduna State:

- Irrigation systems owned by the Federal Ministry of Water Resources
- Access to water with the presence of a huge reservoir
- Opportunities for farmers to lease portions of land from the Federal Ministry of Water Resources to grow various agricultural products
- Access to electricity by local government authorities, which can easily be connected to the processing center.
- Good road networks which will facilitate smooth logistics for the farmers and ultimately for the distribution of processed goods to other locations

From interviews conducted by Sahara Group with farmers in September 2015, poor quality inputs (locally available pesticides were ineffective against pests), basic infrastructure, lack of irrigation, off-takers to buy their crops and of credit/ loan facilities were all identified as the main challenges.

Moreover, through various scoping missions, Jere in Kagarko, Kaduna State was identified as the site for the project as it will benefit from the Gurara Dam irrigation project. The site is currently owned by the Federal Ministry of Water Resources and would be transferred into the ownership of the facilities once it is established. The site benefits from good access to water, including a large reservoir in close proximity. At present, farmers lease portions of land from the Federal Ministry of Water Resources to grow various agricultural products and farmers also have access to irrigation services which ensure better agricultural yields. There is access to electricity in the area and the facilities can easily be connected. The large clusters of farmed lands in the surrounding areas mean there will be a steady supply of produce.

#### **Targeted groups:**

The project will directly benefit 5,000 people in Kaduna State region. This includes 4,500 local farmers, small agri-business owners, SMEs, etc. and their immediate families, in Kagarko, Kaduna State, through improved knowledge of sustainable agricultural practices, improved yields and reduced post-harvest losses.

In identifying participants for the traineeships, the project will prioritize capable young women and men, 18-35 years of age from local communities. Another 500 young women and men from low-income households will be assisted in identifying and creating business plans and developing the technical skills needed to implement them. Such beneficiaries may include farmers, tailors, cobblers, technicians (mechanics, electricians etc.), and other petty traders and vendors. Of this initial group, 100 will be selected on a competitive basis to receive a small nominal grant to implement their plans. Moreover, improved capacities of market places in the Jere area will help contribute to local economic development and improved livelihoods of local communities.

The project is expected to impact up to 50,000 indirect beneficiaries.

#### **Design, mutisectorial strategy, results and implementation plan:**

The deliverables of the project will be:

## 1: Strengthened in-situ food processing capacities and value addition close to production for improved efficiencies and reduced post-harvest losses

Addressing post-harvest losses and the lack of processing, the project will work with local actors to identify market-driven business models for agribusiness development, a model which can be established and generate revenues quickly and be easily replicated. It will contribute to the establishment of food processing facilities (including conditioning and processing) which meet market requirements and buyers' standards, allowing farmers to improve their livelihoods through access to new market value chains. The facilities will be responsive to markets and buyers, and also serve as a training facility and Centre of Excellence. They will provide vocational training in agriculture and agro-processing with a view to identifying best practice and promoting its replication.

The project will identify and build linkages with market operators and buyers appropriate for the produce of the region and who offer development scale in terms of potential for value addition, supplier development, equitable trading and long-term contractual relationships with beneficiaries. Enterprise partners should demonstrate a minimum level of ethical and sustainability standards aligned with the SDGs and the philosophy of this project.

The project will place a strong focus not only on putting the right infrastructure in place but also sensitization and capacity development of local stakeholders and the local community and strengthening of local value chains. Baseline studies would identify the appropriate scale of the plant and include a survey of other agro-processing facilities which would inform the design process and ensure that it is able to optimize production, cover its own costs and generate profits as soon as possible. At the same time, market studies would be conducted to identify markets and distribution channels for products.

Processing facilities would be erected over the course of the first year of the project once all the feasibility, market, etc. studies have been completed. The facility would comprise: an aggregation center, packing house and processing unit. Apart from processing of fruit and vegetables, the Centre would serve as a training facility and Centre of Excellence providing on-the-job training in agriculture and agro-processing with a view to identifying best practice and replicating the model.

## 2. Improved agricultural yields and strengthened capacity of farmers and farmer-based groups in production and management

The Centre will operate an outgrowers' scheme, procuring and processing products locally and directly from those farmers in areas in and around Kaduna, with strategically-located satellite collection centres established to ensure a consistent supply and to cut middlemen from the value chain. The project will leverage necessary third-party support to avoid side-selling in addition to providing training and support to farmers in implementing good agricultural practices.

Project partners will also provide technical assistance to farmers ensuring improved yields and consistent quality of produce, specifically targeting youth and young farmers and young women. It will, in addition, build on the results of the FAO Agricultural Management Information System project to deploy GIS-based mobile telephony to connect farmers who are geographically dispersed and with little access to good

transport, to extension workers, the facility and markets, allowing for peer-to-peer exchanges of information, in addition to better monitoring in the case of the outgrowers' scheme. Geo-mapping of production and markets would have additional benefits for policymakers. Priority will also be given to helping establish new cooperatives and building the capacity of existing cooperatives and other farmers' organizations.

The facilities will create direct employment opportunities, with preference given to capable young women and men in the Kaduna State region. It will likewise improve the livelihoods of many farmers, in particular smallholders who are otherwise often forced to sell their produce at lower prices immediately after harvest.

### 3. Local economic development and sources of new livelihoods created in Kaduna through the fostering of local market places and promotion of specialized horticulture products

The minimart established close to the facilities would allow sale of produce which does not meet its requirements, helping create further revenues and reducing waste. The project will also help create further opportunities for petty trade in other local goods and services through the improved capacities of local markets close to the project area. Market traders will be assisted in improving basic hygiene and selling conditions to make the markets attractive to customers willing to pay higher prices. The project will explore the potential to create a new local market and/or upgrade the quality of neighbouring markets to sell produce from the processing facilities and/ or agricultural inputs or equipment. Training and guidance will be provided to fresh produce and food vendors of the targeted marketplaces in food safety and hygiene to improve micro-scale processing of semi-processed food products.

In addition training will be provided in bookkeeping and business planning. The increased availability and greater variety/diversity of food stuffs would be to the immediate benefit of local people and directly contribute to improved food security and nutrition.

Recognizing the link between the gaps in skills and structural unemployment, the project will take an active approach to promote income generating opportunities, entrepreneurship and new start-ups, by providing technical support to at least 500 local young women and men, using the TREE methodology highlighted above.

The project will help beneficiaries in identifying and/or developing their business plans, strengthening technical skills by using the Start and Improve Your Business (SIYB) training module. The project would also provide small nominal grants on a competitive basis in addition to ongoing support to at least 100 of these selected beneficiaries who are able to show significant progress during the course of training activities. To this end, the young local community facilitators will be trained as trainers on SIYB in order to, on the one hand, support the project beneficiaries better manage their business and, on the other hand, contribute to the proper functioning of the Agro Processing Facility. It would also be relevant to train the facilitators on the KAB modules (entrepreneurial spirit) which goes beyond the acquisition of business management skills. This would contribute to developing capacities in many other aspects of their lives and prepare them to better fulfill their future responsibilities as community facilitators. A strict criteria will be used to select beneficiaries from the Kaduna State region who are young, show promise and commitment

to achieving their business plans and would otherwise not have access to vocational services or credit.

A market study of the potential for growing and processing small volumes of high-value specialized horticultural products on irrigated land will be undertaken with chefs in hotels and high-end retail outlets. The study will also include local recipes and culinary specialties, eg: alligator spice. Based on the results, the project will pilot a young farmers' development programme specializing in higher-unit-value horticulture and off-farm processing based around the currently unallocated 7 hectares of irrigated land close to the proposed processing centre and on other land available to them within the vicinity.

#### 4. Improved policy coordination and inter-sectorial coordination

The project will also contribute at a higher level, improving policy and inter-sectorial coordination between the Ministry of Agriculture, the Ministry of Water Resources, the Ministry of Environment and the Ministry of Industry. The project will strengthen the capacity of and support ministries, departments and agencies to develop and implement policies and provide public services that enhance inclusive and sustainable development in food and agriculture. ITC will provide its methodology for legislative and regulatory environment review to assist stakeholders to identify if there are gaps in legislation, overlaps or lack of harmonisation with national international market requirements, or a need to update descriptions and authorities.

#### Training of Trainers - Community-Based Training

The project will train a core team of up to 20 locally-selected community facilitators, who will be the key focus for training under the "Training-of-Trainers" modality. In addition, collectors and buyers' representatives who regularly visit the farms will be trained and coached in how to work with the collection and processing facilities and the trained trainers to pass on their expertise and compliance requirements to farmers. During their traineeship they will, in turn, be responsible for implementing and facilitating all activities in-the-field and training at least 4,500 beneficiaries through the Farmer Field School Methodology over a two-year period, under the supervision of the Project Management Team. Within the cadre of trainers will be a number of women to support the process of women-to-women training and coaching. Training will cover sustainable business models at the farm level, access to finance, food safety, farming as a business, and market requirements.

The selection process will be extremely important and will be competitive in design. It should involve inputs from collectors, enterprise buyers and agriculture specialists. Priority will be given to those from Kaduna State region, in particular suitably qualified young women and men. Specifically, community facilitators will include committed young women and men (18-30 years of age) in Kaduna State region who would meet one of the following criteria; experience working in:

- Cooperatives and/or other farmer-based organizations
- Local NGOs with a mandate and operations in related areas
- Agricultural extension workers, any other Ministry of Agriculture, government/ state affiliated vocational training organizations
- Buyers, collectors, etc.



- Any other agriculture and/ or agri-business-related setting

Apart from technical training modelled on FAO's Farmers Field School methodology, Trainers will receive guidance from and report back on progress in weekly training sessions.

The facilitators will be trained in the operations of the food processing facilities and Centre of Excellence and operationalizing the out-growers scheme. The Project Coordinator will facilitate the trainings and be responsible for assigning and rotating tasks. They will also benefit from quarterly mentoring provided through the National Steering Committee and the chance to learn from each other. The performance of the mentees will be monitored and they will receive a modest stipend and board for the duration of the traineeship (two years).

Beyond the physical infrastructure that the project will put into place, this Training of Trainers' approach will create a team of 20 local experts who, upon project closure, will have benefited from two years of training, mentoring and hands-on work experience in leadership roles within their communities and will have the chance to compete for key roles within the food processing facility and the Centre of Excellence.

Hands-on training would include:

- Good agricultural practices, including: CODEX, hygiene, food safety
- Managing agro-processing facilities
- Managing the out-growers scheme
- Targeting end markets
- Bookkeeping, keeping farm records and business management
- Safety at the farms and the facility

### **Coordination and governance arrangements:**

Project Governance Structure

The National Steering Committee will have oversight of the project at a high level. The Project Management Committee comprised of all partners which have technical oversight the implementation of the project and the work routine which will be carried out by the project management unit in addition to the interim Board of Trustees which will be responsible for the running of the food processing facilities in the initial stages of the project.

The Project Management Unit will be led by a Project Coordinator (job description, see Annex X) and will comprise representation from all implementing partners, who shall be selected and appointed by mutual agreement of the Board of Trustees.

The Project Management Unit shall have the following responsibilities:

- Management of the day-to-day operations of the project
- Appointment of staff and third party partners to carry out the project activities
- Developing and marketing the project activities and ensuring that the goals and objectives of the project

are achieved

- Preparing and reporting to the National Steering Committee and Project Steering Committee on a biannual basis the management reports of the projects showing all business development, marketing, operations, human management, sustainability, accounting and financial activities of the project
- Developing and obtaining approval from the National Steering Committee for all processes, procedures, policies and charters that will drive the activities of the project
- Managing communications, public relations and advocacy campaigns of the project to promote much-needed awareness in the community and among the general public
- Relationship management with all stakeholders of the project, technical advisers, regulatory, off takers and any other stakeholders as may be necessary to the success of the project
- Management of the approved funding, cost and expenditure of the project in line with the approved project finance processes and procedures
- Any other activities that may be delegated to the management team by the National Steering Committee and Project Steering Committee

#### Interim Board of Trustees – Food Processing Facility

Effective governance of the food processing facilities will be ensured through the creation of an interim Board of Trustees during the initial stages of the project and until the transfer of ownership. The Board of Trustees will have the following responsibilities:

- Implementation of all activities related to the food processing facilities as described in the project document, work plan and budget
- Overall supervision of the day-to-day running of the food processing facility and its staff
- Approve all operational budget allocations, detailed funding requirements and disbursements of the facility
- Meet on a biannual basis to receive and review the quarterly performance and monitoring report from the project management and monitoring team.
- Approve all appointments of third-party business partners, suppliers etc. to be contracted by the project in delivering the goals and objectives of the project
- Approve a detailed communication strategy to be employed throughout the life span of the project

#### **Monitoring and evaluation (M&E):**

The project will profile beneficiaries, carrying out a baseline study during its inception period which will help further inform project interventions. A mid-term review will also be conducted internally with a view to make adjustments to the work plan as necessary and to further elaborate the scaling up and replication activities in year III. An external final evaluation and end line study will be carried out at the end of the third year of implementation, before project closure.

The Project Coordinator will assume responsibility for reporting to the National Steering Committee and Project Steering Committee on a six-monthly basis based on the M&E framework. She/he will not participate in project operations/activities of the project.

The project management office shall have the following responsibilities:

- Independent review and reporting on project operations every quarter
- Independent review and reporting on the project variances from the outlined goals and objectives quarterly
- Adhoc reviews and spot checks as requested by the National Steering Committee and Project Steering Committee towards meeting their responsibilities of supervision and advisory of the project
- Any other activities requested by the National Steering Committee and Project Steering Committee to be reviewed by the project monitoring team.

### **Communication and advocacy (C&A):**

Communications and advocacy will be a central element of the project, in order to ensure its longer-term sustainability and potential replication and adaptation to other geographical contexts, both within and outside Nigeria. A communications and advocacy strategy will be developed and implemented jointly by the several project partners, with the following general objectives:

- Promote project ownership of partners and stakeholders, as well as facility sustainability and scaling up of this pilot initiative - communications activities will create awareness, engender stakeholder support and buy-in towards the overall success of the project. This is particularly relevant as this is an innovative multi-stakeholder partnership in which private sector, government and UN Agencies are developing new models of joint work through the SDG Fund. Communication will drive the enhancement of the SDG Fund vision and increase partnerships that will lead to replication in other Sub-Saharan Africa. Communications will also help enhance brand reputation as a global conglomerate seeking to pioneer public-private partnerships as an acceptable model towards achieving accelerated development across Africa.
- Improve reputation and recognition of agricultural activities - attract young women and men to agriculture and promote entrepreneurship throughout the Nigerian food industry, by showcasing excellence, traditional culinary practices and supporting the consumption of the produce and food staples elaborated as part of the project.
- Promote policy dialogue and advocate for new food industry policies that improve farmers' livelihoods, reduce food loss and improve food security. Inform policy makers of the opportunities and challenges for the Food Africa model and how current policies and programmes might be affecting the takeoff of sustainable agriculture in the region.

In addition, the project will ensure that appropriate marketing, packaging, design and promotion of the facility's outputs and production. Audiovisual and written content will be produced to promote Food Africa and the Roca Brothers, as recognized world figures in the food sector, will contribute via their participation in the programme to communicate results and progress.

A detailed communication and advocacy strategy will be developed in consultation with partners using those media and communication activities (events, documentaries, radio spots, media relations, social media activities, etc.) that are context-sensitive (for example understanding use of different types of media among participating farmers) and cost-effective. The communication plan will be implemented in close coordination with the SDG Fund's Secretariat and project partners' teams.

### **Knowledge management (KM):**

The project will create a Centre of Excellence and demonstration centre which will provide training in best practice in agriculture and agro-processing. It will serve to gather, generate and disseminate knowledge through a Training-of-Trainers modality.

The Food Africa project differs from other purely profit-driven agro-processing facilities in its hybrid public-private ownership structure, focus on empowerment of young women and men and its desire to identify a low-cost model which can be replicated elsewhere in Sub-Saharan Africa.

Knowledge Management efforts will focus on documenting and disseminating the model and experience in appropriate fora both locally and internationally.

### **Contribution to the 2030 Agenda for Sustainable Development:**

The project will contribute to the following SDGs:

- SDG 1: Eradication of poverty, 1.4 and 1.a

The project will be implemented in Kaduna State, which has the second-highest incidence of poverty in Nigeria according to government statistics. Working with local actors, market-driven business models will be developed which will allow farmers to improve their incomes and create new sources of employment and livelihoods, reducing poverty among targeted groups in Kaduna State and beyond.

- SDG 2: Food security and improved nutrition, 2.3, 2.a and 2.c

The establishment of a market place will allow farmers to sell their products near their farming location, which will increase the quantity and quality of available fruits and vegetables, reduce post-harvest losses and recover and comprehensively utilize food waste, thereby contributing to improved food security.

- SDG 5: Gender mainstreaming and women's empowerment, 5.4, 5.a and 5.b

Half of the project's direct beneficiaries will be women. A gap study will be conducted to assess their needs and how to overcome barriers to their participation in targeted project interventions. The project aims to promote gender equality and women's empowerment, ensuring equal participation of men and women and fostering mentoring, income-generating activities, access to finance and a small grants programme awarded competitively. The focus on entrepreneurship and fostering of SMEs will also allow for further opportunities for income-generating activities for women and targeted training will allow women to develop technical skills related to their businesses, diversify their sources of income, improve their business and financial management skills and identify and access credit.

- SDG 8: Creation of employment and economic growth, 8.2, 8.5, 8.6 and 8.10

Both direct and indirect employment opportunities will be created as a result of the facilities established by the programme. The project will also address skills gaps, including the gap in entrepreneurial skills, and the lack of formal vocational organizations by providing cost-effective training which prioritizes young people and women and offering local young people the opportunity to learn technical skills on the job through apprenticeships. In addition, by ensuring access to finance, entrepreneurs and SMEs will have the chances to grow their businesses

- SDG 17: Partnerships with the private sector and support services, 17.8, 17.16 and 17.17

The project will promote a value chain approach, integrating smallholder farmers, through a forward backward approach, to end markets and targeted buyers (including local supermarket chains). The facility and farmers will likewise benefit from training on market compliance and buyer requirements, while ICT and mobile telephony will also be leveraged to reduce information gaps

## V. Annexes

---

### **Letter signed by Resident Coordinator:**

 [Food Africa Cover Page All Signatures.pdf](#)

### **CN Endorsement of National Steering Committee:**

 [161023 Food Africa Meeting Minutes.pdf](#)

### **Commitment of matching funds:**

 [Food Africa Matching Funds Letters of Commitment.pdf](#)

### **Budget break-down per outcomes, outputs and activities:**

 [161208 Food Africa Project Work Plan and Budget.xlsx](#)

### **Integrated Monitoring and Evaluation Research Framework \*:**

 [Food Africa Integrated ME Research Framework.docx](#)

### **Performance Monitoring Framework \*:**

 [Food Africa Performance Monitoring Framework .docx](#)

### **Minutes of formulation meetings and events \*:**

 [170824 Food Africa Project Meeting Minutes.pdf](#)

### **Risk analysis \*:**

 [161208 Food Africa Risk Analysis.docx](#)

### **Additional documentation:**

 [Programme Coordinator Job Description.docx](#)

### **Additional documentation:**

 [Facility Manager Draft Job Description.docx](#)

### **Additional documentation:**

 [171005 Food Africa Meeting Minutes.pdf](#)

### **Additional documentation:**

 [Letter RC Nigeria Food Africa 2018 implementation.PDF](#)

### **Additional documentation:**

 [Revised Food Africa Work Plan and Budget. 2018 Only.pdf](#)