

# **Global Food Security Strategy (GFSS)**

## **Nigeria Country Plan**

**August 2018**

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## Acronyms

AGOA	African Growth Opportunity Act
AIDS	Acquired Immune Deficiency Syndrome
APP	Agricultural Promotion Policy
ARCN	Agricultural Research Coordination Network
ATA	Agricultural Transformation Agenda
BH	Boko Haram
CAADP	Comprehensive Africa Agricultural Development Programme
CAP-F	Country Agri-Business Partnership Framework
CBO	Community Based Organization
CDCS	Country Development Cooperation Strategy
CSO	Civil Society Organization
DfID	Department for International Development
DHS	Demographic and Health Survey
ERGP	Economic Recovery and Growth Plan
EU	European Union
FFP	Food For Peace
FMARD	Federal Ministry of Agriculture and Rural Development
FTF	Feed the Future
GDP	Gross Domestic Product
GES	Growth Enhancement Scheme
GFSS	Global Food Security Strategy
GIZ	German Gesellschaft für Internationale Zusammenarbeit
GON	Government of Nigeria
HDDS	Nigeria's Household Dietary Diversity Score
HIV	Human Immunodeficiency Virus
HPN	USAID Office of Health, Nutrition and Population
ICT	Information and Communication Technology
IDPs	Internally Displaced Persons
IFAD	International Fund for Agricultural Development
IITA	International Institute of Tropical Agriculture
ISWA	Islamic States of West Africa

JICA	Japan International Cooperation Agency
JSR	Joint Sector Review
ISIS	Islamic State in Iraq and Syria
LGA	Local Government Area
MDA	Ministries, Departments, and Agencies
NAIP	National Agriculture Investment Plan (NAIP)
NAQS	Nigeria Agricultural Quarantine Service
NDPI	Niger Delta Partnership Initiative Foundation, Inc.
NGO	Non-Governmental Organization
NNHS	National Nutrition and Health Survey
OCHA	United Nations Office for the Coordination of Humanitarian Affairs
OFDA	Office of Foreign Disaster Assistance
PIATA	Partnership for Inclusive Agricultural Transformation in Africa
PIND	Foundation for Partnership Initiatives in the Niger Delta
PDG	USAID/Nigeria Peace and Democracy & Governance Office
SBC	Social and Behavior Change
SUN	Scaling Up Nutrition
UNDP	United Nations Development Programme
UNICEF	United Nations International Children's Emergency Fund
U.S.	United States
USADF	United States African Development Foundation
USAID	United Agency for International Development
USDA	U. S. Department of Agriculture
USG	United States Government
USTDA	U.S. Trade and Development Agency
WASH	Water Sanitation and Hygiene
WHO	World Health Organization
ZOI	Zone of Influence

## **Introduction**

The GFSS Country Plan for Nigeria was co-written with by USG interagency involved in food security and nutrition work after extensive consultation with stakeholders from government ministries, private companies, universities, research institutes, international and local NGOs, donors and international organizations and was given extensive review and commentary by USG interagency partners in Washington, DC. As a living document, it is intended to be updated as needed in consultation with those parties over time.

The GFSS Country Plan serves as an overarching framework for integrated food security and nutrition programming. The plan is intended to describe the key drivers of food insecurity, malnutrition and poverty. These key drivers stem from a complex set of underlying conditions that exist at the individual, household, community and system level. At the design and procurement stages, the targeting, results framework and program components will require further refinement to operationalize integrated and holistic approaches. Interventions at all levels will need to work in complement to each other to sustainably tackle food insecurity, malnutrition and poverty. In particular, the most vulnerable and poor populations do not have sufficient assets, skills, and capabilities to participate in market operations. These populations will need to be supported to develop capacity over time to participate in value chains so that they can become a viable livelihood option. As GFSS programming is refined through the design, procurement and implementation processes, selected value chains will explicitly prioritize inclusive growth and interventions will include support to the most vulnerable and poor populations to enable them to graduate into selected value chains and benefit from the GFSS-supported livelihoods and market development.

Budget assumptions for interagency contributions to this plan reflect the FY 2017 Estimate and FY 2018 President's Budget, based on information publicly available at the time this document was prepared. Out year budget assumptions reflect a straight-line to the FY 2018 President's Budget. Any funding beyond FY 2017 is subject to the availability of funds, as determined by the President's Budget and a Congressional appropriation. Budget assumptions may require revision in the future, based on future President's Budgets.

## 1. Food Security and Nutrition Context

Food availability, accessibility, and utilization remain significant challenges in Nigeria.<sup>1</sup> Volatility in global food prices, fluctuations in the value of the naira, and high inflation rates have led to price increases for both domestic and imported foods. Import bans, intended to favor the local economy, have driven domestic market prices up by limiting the availability of commodities and raw materials. Maize, for example, is widely used for feedstock. Forced reliance on domestic maize supply, which is inadequate and more expensive than imports, has resulted in exorbitant prices of poultry, aquaculture, and livestock feeds. High tariffs on certain commodities, such as rice and wheat, coupled with restrictions on banks' ability to lend foreign currency to businesses, have further limited food imports and stunted the growth of markets, contributing to rising vulnerability among poor urban and rural households.

With an estimated population of 182 million people (50.5 percent male and 49.5 percent female) in 2016 and an annual growth rate of 3.2 percent, Nigeria's population is projected to reach 440 million people by 2050.<sup>2</sup> At this rapid rate of population growth, food availability, affordability, accessibility, and utilization must significantly and consistently improve to prevent food insecurity and malnutrition.<sup>3,4,5</sup> Despite the sector's performance shortfalls, agriculture is the mainstay of the country's economy, employing approximately two-thirds of the total labor force and contributing 24 percent of the national GDP.<sup>6</sup> Nigeria is the world's largest producer of cassava, yam, and cowpea, yet, due to low crop productivity, the country is a food deficit nation and depends on grain, livestock products, and fish imports to meet local demand.<sup>7</sup> Of an estimated 71 million hectares of cultivable land, only half is currently used for farming. There is tremendous potential to turn the country into a food-secure nation if the appropriate policies are put in place and implemented.

The Boko Haram (BH) and Islamic State in West Africa (ISWA) insurgencies, and the resulting counter-insurgency measures by the Nigerian military, have exacerbated food vulnerabilities and social insecurity in northeastern Nigeria. Attacks have led to population displacement and severely reduced agricultural production, trade, and market activities. The Niger Delta is also prone to militant activities due to deep-rooted socio-economic problems in the region. Productivity of farmlands in the Delta region has been dramatically reduced as a result of oil spills and environmental contamination. Ongoing herder-farmer conflicts affecting the country, particularly in Benue, Nasarawa and Taraba States have significantly increased the number of Internally Displaced Persons (IDPs) in the country. These regional vulnerabilities illustrate the critical need to build the affected populations' capacities to mitigate, adapt to, and recover from shocks and stresses in order to achieve and sustain economic recovery and transformation.

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<sup>1</sup> Federal Republic of Nigeria agriculture sector Food security and Nutrition Strategy (2016-2025).

<sup>2</sup> Iyangbe, C., (2017). Resource Use Efficiency of Smallholder Rice Farmers Under Different Production System in Kebbi State

<sup>3</sup> Bill and Melinda Gates Foundation (2014). Nigeria fact base for FMARD

<sup>4</sup> Global Food Security Index (2014). Accessed 19 November, 2014 from The Economist Intelligence Unit website: <http://foodsecurityindex.eiu.com/Country/Details#Nigeria>

<sup>5</sup> Atehnkeng, J., Augusto, J., Senghor, L., Bonkougou, S., Diedhiou, P., Akande, A., Akello, J., Mutegi, C., Cotty, P., and Bandyopadhyay, R. (2015). Farmers' guide to management of aflatoxins in maize and groundnuts in West Africa. Ibadan, Nigeria: IITA

<sup>6</sup> Nigeria Gross Domestic Product Report

<sup>7</sup> IFPRI, 2012. Global Food Security Report

Localized issues in the Northeast and the Delta, as well as rural conflicts elsewhere in Nigeria, have led to significant consequences for the country as a whole, increasing vulnerability and exacerbating a range of existing challenges.

The Government of Nigeria (GON) has recently committed to strengthen its agriculture and nutrition sectors in order to achieve food security and generate broad-based growth through the implementation of the Agriculture Promotion Policy (APP, 2016-2020) and the National Strategic Plan of Action for Nutrition (2014-2019). The APP is a scale up of the Agricultural Transformation Agenda (ATA, 2011-2016)<sup>8</sup> that focused on increasing, on a sustainable basis, the income and food security of smallholder farmers. The ATA served as a useful platform for the GON to re-engage key stakeholders in the Nigerian agriculture sector and to shift the focus towards building a self-sustaining agribusiness focused economy. It also focused on how to make Nigeria's agriculture sector more productive, efficient, and effective; generate foreign exchange, and; reduce spending on food imports. Among its key achievements was a restructuring of the federal fertilizer procurement system; set-up of the Growth Enhancement Scheme (GES) to register small holder farmers and provide targeted input subsidies (E-Wallet); re-establishment of select commodity marketing boards, e.g. Cocoa Marketing Corporation; reform of the Agricultural Research Coordination Network (ARCN); and Concession of Federal warehouses and storage assets.<sup>9</sup>

Other initiatives that demonstrate GON commitment include the Economic Growth and Recovery Plan (2017-2020), which is based on the APP and supports the transition to a diversified and inclusive economy, and decreased dependence on oil; the Comprehensive Africa Agricultural Development Programme (CAADP, 2015-2025), a pan-African framework through which the Malabo Declaration is to be operationalized; the National Agriculture Investment Plan (NAIP, 2016-2020), a plan through which the CAADP Framework will be implemented; and the Country Agribusiness Partnership Framework (CAP-F, 2017-2020) which aims to reinforce the linkages between agribusiness value chain players in the implementation of the NAIP. These frameworks and programs are intended to guide Nigeria's efforts to meet its domestic food requirements, increase exports, and propel Nigeria back to sustainable, accelerated development and economic growth.

As a target country under the U.S. Global Food Security Strategy (GFSS) and consistent with the Rome principles and international aid effectiveness best practices that promote collaboration and country-led approaches, the GFSS country plan for Nigeria builds on, and aligns with, the GON's priorities for food security and nutrition. In line with the principle of stakeholder consultation, the U.S. Government (USG) interagency team in Nigeria organized a series of workshops to better understand the needs, priorities, political climate, and cultural differences of the northern, north-central and southern regions of the country. The workshops' regional focus allowed a broad array of stakeholders to share and collaborate on their own plans to achieve the three GFSS objectives of inclusive and sustainable agriculture-led economic growth, strengthened resilience among people and systems, and a well-nourished population, especially among women and children.

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<sup>8</sup> FMARD (2011). The Agriculture Transformation Agenda (2012-2016).

<sup>9</sup> [http://fscluster.org/sites/default/files/documents/2016-nigeria-agric-sector-policy-roadmap\\_june-15-2016\\_final1.pdf](http://fscluster.org/sites/default/files/documents/2016-nigeria-agric-sector-policy-roadmap_june-15-2016_final1.pdf)

The GFSS will leverage the resources of the USG, the GON, other donors, and the private sector to achieve the goals articulated in the APP, CAADP, NAIP, and CAP-F. These achievements, as measured in the CAADP Joint Sector Review and through other measurable indicators, will establish a positive enabling environment for improved food security, nutrition, and resilience.

### 1.1. Overview of Key Indicators of Poverty, Hunger, and Malnutrition

Nigeria' was ranked 84 out of 119 on the 2017 Global Hunger Index<sup>10</sup> - a significant improvement, up 25.5 points, from 2008; the country was ranked 152 out of 188 countries in the 2015 United Nations Development Programme (UNDP) Human Development Index, a slight fall from its ranking of 151 in 2014.<sup>11</sup>

**Poverty:** Despite Nigeria's significant natural resources and continued economic growth, poverty remains widespread and has even increased in some areas since the late 1990s. An estimated 70 percent of Nigerians live on less than \$1.25 per day. Recent World Bank data indicates that the national poverty rate as of 2009, using the official Nigeria poverty line of \$1.00 per day, was 46 percent (if using the international poverty line of \$1.90, the poverty rate would be 53.5 percent).<sup>12</sup>

Inadequate government investment in the non-oil sectors such as agriculture and infrastructure, and the lack of an enabling business environment have resulted in an over-reliance on government for subsidies, employment, and basic services. In 2016, when global oil prices dropped precipitously, the country experienced a recession that exposed this over-dependence on oil revenue and led to a 2 percent increase in the poverty rate. Through the implementation of the APP, the GON is now focused on diversifying the economy away from oil, with a major emphasis on agriculture.

**Hunger and malnutrition:** Poverty is closely associated with a lack of dietary diversity and malnutrition. Despite some signs of progress, urgent improvements in nutrition are necessary for Nigeria to address acute and chronic issues, and to attain the United Nations Sustainable Development Goals one, two, three and six: No Poverty, Zero Hunger, Good Health and Wellbeing, and Clean Water & Sanitation, respectively. Although the 2013 Demographic and Health Survey (DHS) for Nigeria reported a small improvement in rates of stunting (from 42 percent of children in 2003 to 37 percent of children in 2013), the prevalence of stunting is still classified as a high public health concern according to World Health Organization (WHO) standards. Wasting, a reflection of acute malnutrition, affects approximately 18 percent of children under 5 years old in Nigeria, which, according to WHO standards, is a very high public health concern.<sup>13</sup> In addition, 71 percent of children and 48 percent of women of reproductive

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<sup>10</sup> Global Food Policy Report. IFPRI 2018

<sup>11</sup> <http://hdr.undp.org/en/composite/HDI>

<sup>12</sup> [http://databank.worldbank.org/data/download/poverty/B2A3A7F5-706A-4522-AF99-5B1800FA3357/9FE8B43A-5EAE-4F36-8838-E9F58200CF49/60C691C8-EAD0-47BE-9C8A-B56D672A29F7/Global\\_POV\\_SP\\_CPB\\_NGA.pdf](http://databank.worldbank.org/data/download/poverty/B2A3A7F5-706A-4522-AF99-5B1800FA3357/9FE8B43A-5EAE-4F36-8838-E9F58200CF49/60C691C8-EAD0-47BE-9C8A-B56D672A29F7/Global_POV_SP_CPB_NGA.pdf)

<sup>13</sup> WHO. Classification for assessing severity of malnutrition by prevalence ranges among children under 5 years of age <http://www.who.int/nutgrowthdb/about/introduction/en/index5.html>



age are anemic. Nutritionally, women are also affected by the burdens of being underweight (11 percent) and obese (25 percent).<sup>14</sup>

Key drivers of malnutrition in Nigeria include poor maternal nutrition and health (particularly among adolescent girls), poor breastfeeding and complementary feeding practices, frequent illness among children of less than two years of age, food insecurity, and a lack of diversity in household diets. As noted above, conflict exacerbates these vulnerabilities. In the North, measures of maternal nutrition, adolescent reproductive health, and access to and utilization of health services are markedly worse than in the South. Cultural and gender norms contribute to poor nutrition and health among women, and a lack of awareness about resources for nutrition underlie and exacerbate these key drivers. Inadequate water, sanitation, and hygiene (WASH) services and unhygienic environments increase the risk of diarrhea and environmental enteropathy, which can lead to the reduced absorption of nutrients. According to the 2015 National Nutrition and Health Survey (NNHS), 45 percent of children under the age of five experienced diarrhea in the two weeks prior to the survey.<sup>15</sup>

## 1.2. Partnership Landscape

USAID/Nigeria is a member and currently the co-Chair of the Agriculture Donor Working Group and actively participates in bi-monthly meetings, sharing updates on agricultural investments and exploring complementarities among programs. Food and Agriculture Organization is the other co-Chair. When appropriate, donor partners collaboratively support the GON in key activities, such as the Joint Sector Review of CAADP. Similarly, USAID and the German Gesellschaft für Internationale Zusammenarbeit (GIZ) have discussed the possibility of USAID leveraging certain infrastructure that GIZ will fund and build to support interventions in the Northeast. USAID/Nigeria also participates in regular meetings of the Scaling Up Nutrition (SUN) Donors' Group, sharing knowledge and perspectives on technical assistance to inform and influence GON nutrition priorities. USAID regularly informs other donors about how its work in nutrition is contributing to stakeholder nutrition strategies. This increased coordination, and greater clarity regarding roles and responsibilities of stakeholders, is necessary to ensure policy alignment, effective allocation of resources, and increased impact.

USAID/Nigeria programming over recent years has stimulated the development of stronger partnership with the Federal Ministry of Agriculture and Rural Development (FMARD) that has resulted in the assignment of eight Ministry Desk Officers to the Feed the Future team. The Mission is currently developing similar partnerships with the Federal Ministry of Health and the Federal Ministry of Women Affairs and Social Development to align health and nutrition priorities with the GFSS resilience objective. The partnerships will further facilitate the GON's buy-in to the GFSS approach and objectives. Through the GFSS framework, USG agencies will strengthen existing partnerships and build new ones with academia, community-based organizations (CBOs), civil society organizations (CSOs), non-governmental organizations (NGOs), media, and the private sector to pilot and scale up proven innovative technologies and disseminate information about improved production practices through information and

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<sup>14</sup> Federal Republic of Nigeria agriculture sector Food security and Nutrition Strategy (2016-2025). May 2017

<sup>15</sup> <http://somlpforr.org.ng/pdfs/SMARTResults%202015.pdf>

communication technology (ICT)-enabled extension and advisory services to impact a wide range of beneficiaries.

## **2. Targeting**

### **2.1. Targeted Geographies**

The GFSS country plan for Nigeria adopts a market systems approach as the basis of its state selection and geographic targeting efforts. Market systems are composed of vertically and horizontally linked firms, end markets, input and support service markets, and the environment in which they operate, which may include socio-cultural, geographic and political factors, infrastructure and institutions. Interventions under the GFSS country plan that directly work with and leverage the capabilities of the private sector will stimulate market systems growth and expand economic opportunities. The targeting strategy also identifies vulnerable populations, including conflict-affected populations, youth, and nutritionally vulnerable smallholder households. This approach will include deliberate efforts to build the resilience of households and market systems to absorb, adapt, and transform in the face of shocks and stresses. The combination of planned interventions will stimulate market systems growth, create sustainable pathways out of poverty, and reduce vulnerability, especially for young men and women, while contributing to sustainable and market-based agriculture sector transformation.

The market systems approach adopted by USAID/Nigeria focuses on breadbasket areas as nodes of interventions where targeted investments can make the greatest contributions to measurable and sustainable improvements in food security, poverty reduction, and nutrition. Breadbasket areas are typically geographies with the most fertile soils and optimal rainfall patterns for agriculture. These predominate in states in the south-south, southeast and north-central regions of Nigeria. Because the GFSS places an emphasis on value chain interventions with the greatest potential to promote sector level transformations, these breadbasket areas are identified as key target areas in the Feed the Future Zone of Influence (ZOI).

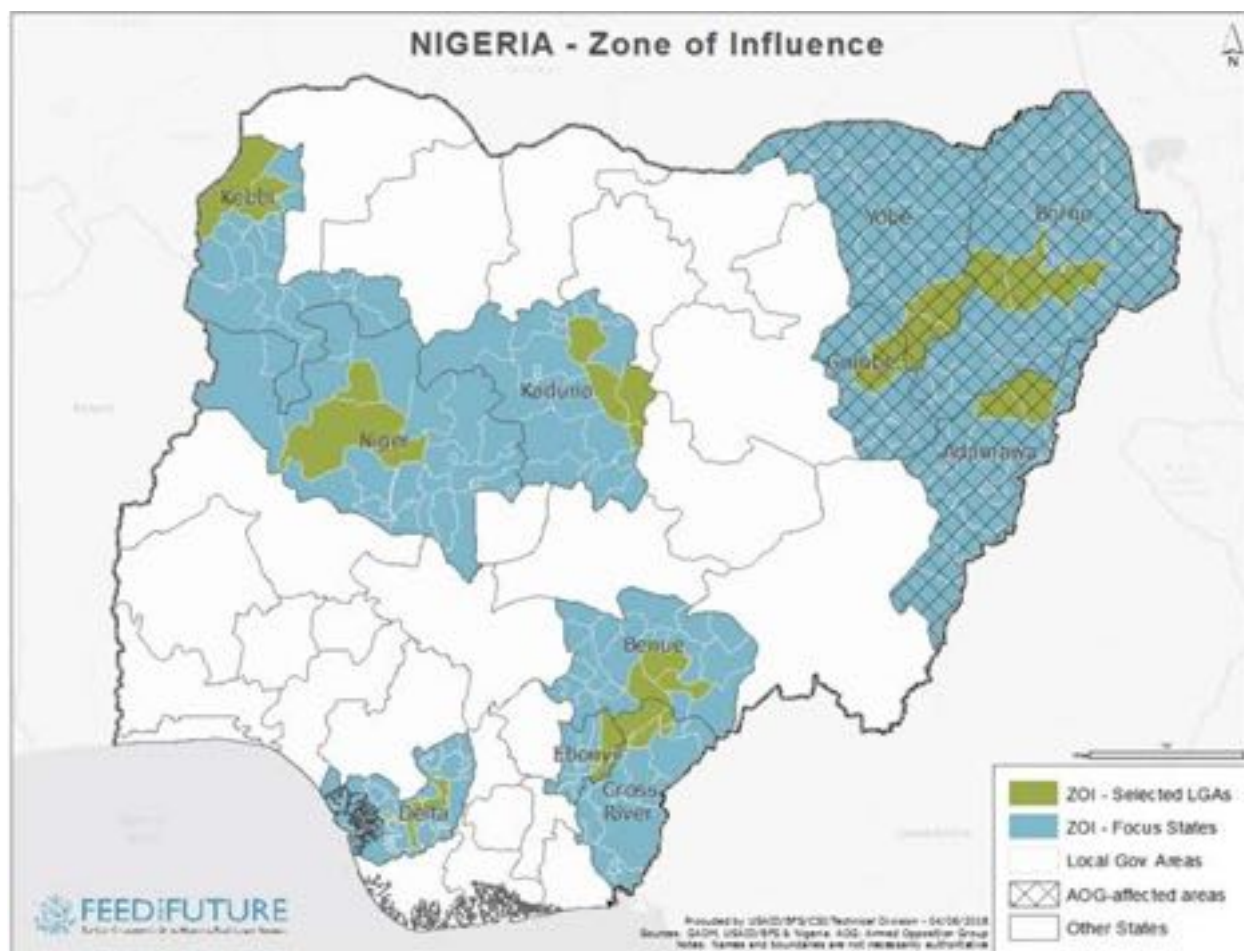
The strategy also considers transportation corridors that facilitate access to market opportunities and regional economic integration as a key element. Market systems in northern Nigeria include major grain markets in the Northwest, and major processors and associated industries in the Northwest, Southwest, and Southeast. GFSS investments will seek to facilitate flows of surplus agricultural outputs from breadbasket areas to markets in areas that are most vulnerable to hunger, malnutrition, poverty and insecurity, thereby enabling such regions to adapt to, recover from, and mitigate the effects of shocks and stresses from food insecurity. Increased production and productivity, due to quality inputs, increased use of technologies and improved production practices, will lead to reduced cost of production and a fall in food prices, thereby increasing affordability. Increased availability of agriculture produce will significantly increase the availability and affordability of agricultural raw materials for the agro-allied sector, thereby increasing availability of non-farm job opportunities for vulnerable households with or without access to farm lands. While it is important to recognize the distinction between increases in production and productivity since these do not necessarily have similar impacts, GFSS investments in Nigeria will facilitate the adoption of new technologies that can have a range of impacts with incremental effects on output, profit and employment of smallholder farmers.



**Zone of Influence:** Northern Nigeria (comprising three of the six geopolitical zones in the country - northeast, north-central and northwest) has the highest concentration of poverty, with rates ranging from 50.2 percent in the Northeast to 45.9 percent in the Northwest, compared to 16 and 21 percent in the Southwest or South-South respectively.<sup>16,17</sup> Other related and complementary statistics illustrate growing inequality, income stratification, and a general divide in livelihoods development between citizens living in the North and those living in the South. Taken together, the data show a substantially higher degree of vulnerability for the population in the North, thus justifying the prioritization of populations in this geopolitical zone.

<sup>16</sup> World Bank, 2014

<sup>17</sup> National Bureau of Statistics, 2015



GFSS investments will focus on seven of Nigeria's 36 states: Benue, Cross River, Delta, Ebonyi, Kaduna, Kebbi and Niger. These breadbasket states have been selected based on:

- a) their production potential for prioritized value chains (Please see section 2.2 below),
- b) demonstrated commitment to promote and diversify agriculture production,
- c) accumulated knowledge and capacities of key stakeholders developed through past association with USAID,
- d) opportunity to leverage private sector partnerships,
- e) high rates of undernutrition
- f) social needs, and
- g) security considerations.

In the Northwest, Kebbi is highly vulnerable to climate change and has the highest stunting rate in the country, at over 60 percent. USAID/Nigeria's recently completed Maximizing Agricultural Revenues and Key Enterprises in Targeted Sites II - MARKETS II activity (2012 - 2017) worked with over 18,000 rice farmers in the state, and the Feed the Future Nigeria Livelihoods activity (2013 - 2018) has worked in two local government areas (LGAs). Two regional rice mills, Labana and WACOT, reflect market opportunities to absorb new production volume emerging from significant improvements in productivity. Kaduna also experiences a high stunting rate of 56.6 percent. The current USAID-funded Feed the Future Nigeria Nestle

Maize Quality Improvement Partnership activity in Kaduna, and the Feed the Future Partnership for Inclusive Agricultural Transformation in Africa (PIATA) activity in Kaduna and Niger States are scaling up previous interventions of Feed the Future Nigeria Agro-Inputs and MARKETS II activities.

In the north-central region, Niger has traditionally been the “rice basket” of Nigeria accounting for about 16 percent of the country’s rice output. The state is also known for its rich and diverse agricultural produce. However, stunting is above the national average at 38%. The MARKETS II activity supported about 25,000 farmers to increase rice productivity and quality. In an effort to ensure food security, the Niger State Government recently resuscitated 17 irrigation schemes across the state, which will support increased production.

In the north-central and southeast regions, Benue and Ebonyi States, respectively, have a comparative advantage in the production, processing and marketing of major crops. Benue State has a vast supply of fertile land and has advantage and capacity to produce virtually all major food crops, including over 70 percent of the nation’s soybean production. However, stunting is still at 28%. In its attempt to make Benue State a haven for agricultural investment, the government has embarked on large-scale land clearing across the state. These farmlands are suitable for mechanized farming of grains, and other food products. In addition, the state government has established a mechanism to facilitate the distribution of quality seeds and seedlings, fertilizers, and other vital inputs. For example, tractors and other implements can be hired from the state extension services. Benue State Government is also cooperating with international agencies, such as the United Nations Development Program (UNDP), to help small-scale agricultural investors to improve their yields and get better prices for their products. Ebonyi is one of Nigeria’s major rice producing states, and has one of the largest clusters of rice milling activities of varying sizes. The rate of stunting is 21% in Ebony. USAID/Nigeria has a long history of working with rice farmers in Benue and Ebonyi States, and with small and medium scale rice millers in Ebonyi.

In the South-south, Cross River and Delta States are two of nine Niger Delta Region states that are prone to militant activities. The productivity of the farmlands has been affected by oil spills and widespread environmental contamination. The Foundation for Partnership Initiatives in the Niger Delta (PIND) was established in 2010 with initial funding of \$50 million from Chevron Corporation to deploy a strategy to address these complex problems, and to develop and implement new solutions that will reduce conflict in the region. USAID/Nigeria established a partnership with PIND and their parent body, the Niger Delta Partnership Initiative Foundation, Inc. (NDPI) through a Memorandum of Understanding (MoU) which enabled collaboration and coordination between the USAID-funded MARKETS II activity and PIND in the region. This partnership was initially agreed for five years (2011-2016), but subsequently extended through 2018, and recently extended further to continue through 2023. PIND and USAID/Nigeria have had a successful partnership, fostering economic growth in the Niger Delta. In the past year, PIND and USAID/Nigeria have trained about 300,000 farmers in the Niger Delta (Ondo, Delta, Bayelsa, Rivers, and Cross Rivers States) on aquaculture and cassava best practices, more than doubling their yield and profitability. GFSS interventions will focus on Cross River and Delta States, and will build upon prior work and progress achieved through the USAID/PIND

partnership. Cross River and Delta states have relatively low levels of stunting at 18.5% and 19.9%, respectively.

The ZOI will include seven Feed the Future focus states which include a total of 148 LGAs.<sup>18</sup> GFSS interventions will be implemented in a minimum of three LGAs per state, which will total no less than 21 LGAs, or about 14 percent of LGAs within the states. Based on our expectations of focus LGAs, GFSS interventions will reach an estimated minimum target population of 6 million, or 16 percent of the population within these focus states. In addition to these seven focus states, the ZOI will include the four northeastern states of Adamawa, Borno, Gombe and Yobe. GFSS interventions will be in a minimum of two LGAs per state, which will total 8 (or about 10.5 percent of all the LGAs within these four states), reaching an estimated minimum target population of 1.7 million or 6.38 percent of the population within the northeast region. Every effort will be made moving forward to include geographic overlap when possible. In areas where there are not USG health and nutrition-specific investments, there will be collaboration with health-focused, external partners to ensure that GFSS interventions are able to achieve nutrition impact. External collaboration will be monitored to ensure effectiveness.

## 2.2. Targeted Value Chains

USAID/Nigeria conducted a value chain prioritization study prior to creating the GFSS country plan and validated the selection of value chains during the GFSS Stakeholders Workshops.<sup>19</sup> The prioritization and analysis were based on available data and qualitative measures common across all of the potential value chains. The high level qualitative and quantitative analysis, comparing 13 value chains to each other and providing a prioritized ranking, required common data points to ensure relevance across the varied value chains. The analysis relied on a desk review of currently available literature, GON statistical information, and industry resources. This analysis was augmented with field visits to production and processing sites.

The selection criteria included the following measures:

- a) Downstream and Market Indicators: the potential opportunity for private sector investment in downstream activities, and the potential for upgrading product handling and processing.
- b) Farmer Impact and Production Indicators: the potential for increasing productivity in the highest margin commodity value chains.
- c) Scalability: the potential for helping large numbers of farmers capitalize on market opportunities to absorb new production volumes emerging from significant improvements in productivity.
- d) Nutrition Potential: the potential to contribute to increased consumption of nutritious and safe diets. Considerations include the overlap of the geographic location of the producing households with significant child wasting and stunting.
- e) Other Criteria: social and high-level partnership considerations, including the involvement of women and youth within the value chain, the relative importance of

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<sup>18</sup> 2006 Population and Housing Census. Nigeria National Population Commission. 2017 Population extrapolated from 2006 by 3.2% yearly growth rate. 64pp

<sup>19</sup> Hanif, Charity. Agriculture Value Chain Prioritization for USAID/Nigeria. January 2016.

the value chain in the GON's economic strategy, and the overlap of the geographic location of the producing households with significant child wasting and stunting.

As a result of the value chain prioritization study, the Nigeria GFSS country plan identifies five agricultural commodity value chains that have the greatest potential for increasing productivity and market linkages: **aquaculture, cowpea, maize, rice, and soybean**. Goats have also been added as a value chain for the Northeast. Each of these value chains was identified as having a relatively strong potential for market importance and relevance, potential to scale, and the opportunity for farmer profit and increasing productivity. All value chains activities will incorporate appropriate nutrition-sensitive interventions. Aquaculture has a low barrier to market entry, making it attractive to women's and youth participation. It has high nutritional content and high market demand as an easily available source of protein to integrate into diets. Cowpea is a staple food and is widely traded across West Africa. Borno was once the largest cowpea producer, but displacement and insecurity due to the insurgency has disrupted production. It is a highly nutritious traditional food and is somewhat drought resistant, grown as a rain-fed crop in the far northern area where few crop alternatives are viable.

The production zone overlaps with the geography showing the highest rate of child wasting. Maize has perhaps the greatest demand from processors of any value chain, with several large firms (like Nestle) actively seeking more high-quality inputs for their processed cereal and poultry feed. It also enjoys very strong GON support at both the national and state level; Kaduna State, for example, has identified it as the key value chain for scale. Rice has very high market linkages and potential to scale, due, in part to high domestic demand and GON support. Proven small-scale irrigation technologies for smallholder farmers will be scaled up to increase the number of cropping cycles per year, especially in the drier northern region of the country. Finally, soybean offers high potential to scale due to its high demand as a protein component to fish and poultry feed, and for its inclusion in vegetable oil. Soybean production also overlaps with maize production, lending efficiencies to agricultural interventions and providing a way to reach women in value chain interventions who commonly keep 50 percent of the harvest for household utilization and artisanal processing. Residues and byproducts from the selected value chains will be explored as inputs for livestock feed, which can create employment opportunities for women and youth.

### **3. Results Framework**

#### **3.1. Problem Statement**

**Agriculture:** The agriculture sector remains fundamental to Nigeria's economic growth and development. As noted earlier, the sector employs almost 70 percent of the country's labor force and contributes 24 percent of the national GDP. It presents several unique opportunities to improve food security, resilience, and nutrition, particularly in the production and consumption of diverse and animal-source foods, and nutrient-dense crop value chains; however, a range of critical reforms are needed for these opportunities to be realized. Despite the importance of the agriculture sector, farmers struggle to overcome significant obstacles including limited access to quality agricultural inputs, limited access to financial services, poor post-harvest processing technologies, inadequate quarantine services, ineffective and inefficient pest and disease control measures that lead to low yields, post-harvest losses, weak market linkages, poor market

infrastructure (including lack of market information to ensure transparency within market systems), poor transportation of agricultural produce and raw materials, sub-standard commodity storage and handling, the continued marginalization of women, the impacts of climate change, and the ongoing influence of conflict.<sup>20,21</sup>

The 2013 Africa agriculture status report<sup>22</sup> recorded over a decade of steady increase in cereal production and yields in most sub-Saharan African countries. Nigeria, however, was an exception. According to FMARD reports, overall yield per hectare for all crops over the same period was a mere 20 to 50 percent of that obtained in similar developing countries, with production increases attributable principally to an expansion of area under cultivation rather than yield improvements. Among the factors identified as contributing to low productivity in the country were low levels of fertilizer use, limited use of improved seed varieties, poor infrastructure related to water management, inadequate extension services, high post-harvest losses, limited use of labor-saving and appropriate technologies, and a poor policy environment. According to the World Bank, Nigerian farmers applied an average of just 17.8 kilograms (kg) of fertilizer per hectare in 2013, compared to 52.2 kg in Kenya.<sup>23</sup>

The Nigeria Early Generation Seed Report (2016)<sup>24</sup> asserts that there is an insufficient and unsustainable supply of early generation seed as well as national variety release systems; policies, regulations, and subsidies that limit access to publicly-developed improved varieties by private seed companies; and the continuing presence of obsolete varieties, as well as counterfeit seeds in markets.

On-farm mechanization is not well-utilized among smallholder farmers: 65 percent of smallholder farmers use the hand hoe, 25 percent use draught animal power, and only 10 percent use tractors. Smallholder farmers and other value chain actors lack adequate access to credit, due in part to prohibitive collateral requirements and interest rates, and because credit appraisal techniques and risk acceptance criteria that the banks use are not well suited to the specific risks associated with the agricultural sector.

Nigeria's food system is market-based and 75 percent of the food consumed in rural areas is purchased, leaving lower-income households vulnerable to volatile circumstances and externalities that impact both price and availability. Lack of storage facilities and high levels (up to 40 percent) of post-harvest losses also reduce household food availability. The effects of climate change, manifested by the delayed onset of rains, shortened duration of rains, and flooding, have further exacerbated the challenges in agricultural production.<sup>25</sup>

The GON's prioritization of agricultural development as a path toward increasing economic growth, including the unveiling of the APP or "Green Alternative," presents an opportunity for

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<sup>20</sup> Downie, R. 2017. Growing the Agriculture Sector in Nigeria. A report of the CSIS Global Food security Project. Center for Strategic and International Studies.

<sup>21</sup> World Bank. 2017. Enabling the business of agriculture. (Washington, DC: World Bank), 112, <http://eba.worldbank.org/□/media/WBG/Agribusiness/Documents/Reports/2017/EBA- Full Report.pdf>.

<sup>22</sup> AGRA, 2013. Africa Agriculture Status Report

<sup>23</sup> World Development Indicators database

<sup>24</sup> Nigeria Early Generation Seed Study Country Report

<sup>25</sup> Suleiman, I.L., 2014. An Appraisal of Climate Change and Agriculture in Nigeria. Journal of Geography and Regional Planning. Vol.7(9).



USAID to support transformative change in the country's agriculture sector which will improve nutritional rates and increase the sector's contribution to GDP growth. Increased GON funding of the agriculture sector is important. The 2014 Malabo<sup>26</sup> Declaration on Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods commits African governments to allocate at least 10 percent of public expenditure to agriculture, and to administer the funds in an efficient and effective way. The GON has never met this mark. It committed 1.8 percent of its 2017 public expenditures to agriculture and increased this allocation to only 2 percent in the 2018 budget. The continuing low allocation of public expenditures to agriculture and the low implementation rates of budget allocations negatively impact agricultural growth and transformation.

Government policies could better support the enabling environment for agricultural development by encouraging private sector investment in agriculture. Inadequate capacity among sector stakeholders also inhibits the development of strategic partnerships between private sector, civil society, academia, and media organizations that would enable them to increase productivity, and to pursue and advocate for economic reforms that facilitate the development of the agriculture sector.

**Nutrition:** Malnutrition has been described as Nigeria's "silent crisis";<sup>27</sup> it contributes to half of all child deaths – 500,000 deaths per year – and is the cause of high rates of stunting - 11 million children under the age of five. The economic costs of malnutrition include direct costs such as increased burden on the healthcare system, and indirect costs of lost productivity. Childhood anemia alone is associated with a 2.5 percent drop in adult wages.<sup>28</sup> While increased productivity can increase the availability of food for consumption, increase household incomes and affordability of food items, these alone do not automatically translate to nutritional gains.

Malnutrition is not equitably distributed as there are significant regional differences in malnutrition rates. The national stunting rate is around 32 percent of all children under the age of five years, but this soars to 54.3 percent in the Northwest compared with just 12.1 percent in the Southeast.<sup>29</sup> Infant and young child feeding practices throughout the country are very poor, with only about 15 percent of children under two receiving an appropriately diverse diet.<sup>30</sup> Serious malnutrition problems also affect adult women, again exhibiting a regional bias - 13.5 percent of women in the Northwest suffer from acute malnutrition (i.e. wasting) compared with 2.6 percent in the Southeast.<sup>31</sup> Cultural and social norms that restrict women's decision-making, financial independence, and influence in household nutrition decisions contribute to poor health and nutrition status.

**Gender:** Gender disparities in agriculture deny a considerable proportion of the country's labor force the opportunity to contribute fully to and benefit from the production and consumption of healthy and nutritious food, increased prosperity, and the overall growth of the economy. While

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<sup>26</sup> [https://au.int/sites/default/files/documents/31006-doc-malabo\\_declaration\\_2014\\_11\\_26-.pdf](https://au.int/sites/default/files/documents/31006-doc-malabo_declaration_2014_11_26-.pdf)

<sup>27</sup> PRB 2014

<sup>28</sup> UNICEF 2015

<sup>29</sup> NBS 2015

<sup>30</sup> DHS 2013

<sup>31</sup> NBS 2015

the GON has created several programs to address women's inequitable access to land, inputs, finance, and business development services, and expand their opportunities to participate in the sector, entrenched cultural and social obstacles persist.

**Youth:** The National Population Commission (2016) states that about half of the population in Nigeria is made up of youth, defined as individuals between 15 and 34 years of age. As the youth population has grown, so has the unemployment rate. A Nigerian Bureau of Statistics report indicates that 61.6 percent of Nigerians in the labor force (*not in the entire population*), aged 15 - 24, were either unemployed or underemployed in Quarter 4 of 2016, compared to 53.5 percent in Quarter 4 of 2015. Of persons between the ages of 25 and 34, 37.5 percent were either unemployed or underemployed in similar period of 2016 compared to 31.3 percent in Quarter 4 of 2015.<sup>32</sup> While numerous constraints in the agriculture sector limit formal-sector job opportunities, profitable self-employment, wage labor, and informal sector opportunities exist for youth in downstream activities, mostly in rural areas, such as processing, transport, trading, and service provision.<sup>33,34</sup>

**Conflict:** Numerous and conflicting theories regarding the origins of the insurgency in Nigeria, and the reasons why it has been particular to the Northeast, have been argued by a variety of institutions, including the Brookings Institute,<sup>35</sup> the University for Peace,<sup>36</sup> and the World Bank. Competing explanations for the insurgency include (1) lower investment, including in basic services and infrastructure, in the North; (2) grievances related to corruption; (3) religious and cultural divisions and income inequality between the predominantly Muslim North and predominantly Christian South; and (4) extreme poverty and deprivation in the Northeast. The collapse of northern Nigeria's industrial base, the erosion of rural livelihoods based on agriculture, pastoralism, and fisheries, hikes in prices of commodities, the depreciation in the value of the Naira, and rising inflationary trends have all contributed to a complex and compounding risk environment and the deepening of poverty. These economic weaknesses have also influenced social processes which in turn have eroded social capital and social cohesion, undermined gender norms and child rights, and created power shifts between generations. Sexual and gender based violence have escalated dramatically with the intensification of the conflict. Building the capacity and resources for young people to engage productively in markets and benefit from market participation is critically important to address the underlying causes of the conflict in the Northeast.

**Climate Change Impact:** In northern Nigeria, in particular, climate change impacts combine with economic challenges, capacity deficits, and the impacts of conflict to increase vulnerabilities of rural households, especially malnutrition. Analysis reveals increasing temperatures and a decreasing rainfall amount and duration in Nigeria between 1901 and 2005. A mean temperature increase of 1.1 degrees C was observed in Nigeria over a 105-year period while rainfall dropped by 81 mm. A rise in the sea level has inundated 3,400 square kilometers

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<sup>32</sup> Quarter 4, 2016 Unemployment and Under Employment Report (2017). Nigerian National Bureau of Statistics. 26pp

<sup>33</sup> USAID/Nigeria Workforce Development & Youth Employment in Nigeria, 2016. Making Cents International. 77pp

<sup>34</sup> Gyimah-Brempong, K. 2014. Agricultural Transformation and Youth Employment in Africa: Nigerian Case Study. Unpublished mimeo, Nigeria Strategy Support Program – International Food Policy Research Institute.

<sup>35</sup> Jideofor Adibe, Explaining the Emergence of Boko Haram, Africa in Focus, Brookings Institute, May 6, 2014.

<sup>36</sup> Simeon H.O. Alozieuwa, Contending Theories on Nigeria's Security Challenge in the Era of Boko Haram Insurgency, The Peace and Conflict Review, University for Peace. <http://www.review.upeace.org/index.cfm?ejemplar=24&entrada=128>

of coastal zone lands while, ominously, desert encroachment has reduced arable lands in the northern part of the country by up to 10 km per year.<sup>37</sup>

### 3.2. GFSS Goal and Objectives for Nigeria

Aligned with USAID/Nigeria's CDCS Development Objectives 1: "Broadened and inclusive growth"; and 2: A healthier, more educated population in targeted states, the overarching goal of the GFSS is to sustainably reduce global hunger, malnutrition, and poverty. Building on the Nigeria Mission's achievements, GFSS investments will address the challenges and obstacles limiting the optimal performance of the agricultural, health, and nutrition sectors in the country. The specific objectives of the Nigeria country plan align with the GON and USG GFSS priorities:

- 1) Inclusive and sustainable agriculture-led economic growth,
- 2) Strengthened resilience among people and systems, and
- 3) A well-nourished population, especially among women and children.

### 3.3. Theory of Change

If USG GFSS investments facilitate the availability and accessibility of quality agricultural inputs, the use of innovative technologies by smallholder farmers, the forging of effective ties between value chain stakeholders, improvement in the resilience of vulnerable households, and action to ensure effective nutrition-specific and -sensitive interventions; then there will be more inclusive and sustainable agricultural-led economic growth, strengthened resilience among people and systems, and improved household nutrition. As a result, hunger, malnutrition, and poverty in assisted populations will decline.

**Inclusive and sustainable agricultural-led economic growth:** GFSS interventions will support the scale up of agricultural investments and adopt a facilitative value chain approach to improve the competitiveness of selected agricultural produce where smallholder farmers are linked to inputs, finance, production, markets, and market information systems, through larger agribusiness firms who have the capacity and incentive to invest in smallholder production. These linkages will build the capacity of smallholder farmers to increase the efficiency of their businesses resulting in improved production and post-harvest handling practices.

Specifically, Nigeria's GFSS will incorporate a model whereby the implementing partner will build the capacity of the private sector to effectively and fairly engage with poor and geographically isolated groups that have had difficulty accessing markets. Although the private sector has incentives to develop input markets, certain populations, such as those in geographically isolated areas, are excluded from markets due to entry costs and perceived risks, private sector actors will, in turn, build the capacity of the targeted clients, customers, and consumer groups. Such private sector actors could be agro-input dealers, agro-processors, and other service providers. GFSS investments will create the incentives for them to enter new markets and continue to do business with these excluded groups beyond the cessation of donor

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<sup>37</sup> Odjugo 2010

funding and subsidies by engaging with GON and state governments to address critical policies and regulations affecting agricultural production as well as the overall investment climate. Private sector will expand their customer base and generate increased revenue from sales of goods and incomes from services rendered. This model will support emerging agribusiness actors and smallholder farmers.

**Strengthened resilience among people and systems:** GFSS investments will focus on a) analysis of end markets, market systems, livelihoods, and employment opportunities to identify high-potential and inclusive market systems, and livelihood activities that offer a pathway out of poverty for women, men and young people affected by conflicts and other shocks and stresses; b) using a combination of ‘push’ and ‘pull’ interventions to develop inclusive and resilient market systems; and c) layering with complementary investments, sequencing interventions, and integrating cross cutting issues for coordinating complementary response and recovery efforts that can also serve as a tool for overlapping push and pull interventions. Pull interventions will stimulate market systems growth and diverse economic opportunities by leveraging commercial incentives for a broad set of actors, including buyers, aggregators, traders, processors, producers, input suppliers, private sector extension services, and agricultural service providers, including women and youth; Push interventions will build the skills, resources, and capacities of poor and vulnerable individuals and households, including women and youth, to take advantage of market-systems opportunities. Programming to build resilience in the more fragile and conflict-prone areas of the ZOI will be tailored to reflect the unique challenges of fragility and conflict as chronic stressors. This will include the need to apply a conflict-sensitive approach to market systems strengthening and development; a greater emphasis on strengthening transformative capacities with a strong focus on governance; and expanding economic opportunities, both on- and off-farm, in areas where a lack of such opportunity is exacerbating existing conflict dynamics. Off-farm economic opportunities will significantly benefit unemployed youths in the urban areas.

**A well-nourished population, especially among women and children:** Based on results from a USAID study on the Drivers of Malnutrition in Nigeria,<sup>38</sup> this objective will be achieved with a focus on a) a scale up of high-quality information and communication on nutrition behaviors and practices through targeted, multi-channel, and high-quality social and behavior change (SBC) interventions; b) investment in a systems approach to deliver services supporting nutrition through increasing community-based service delivery in the short term, and improving the overall quality of health services over the long term; c) ensuring a sustainable and year-round diverse, safe food supply for adequate dietary intake by strengthening agriculture and market systems over the longer term; and d) supporting nutrition coordination and rollout of strategies and plans to help GON consolidate and strengthen its nutrition coordination. Although achieving results will require engagement with a range of actors, programming will focus on improving outcomes among women of reproductive age, with special focus on periods of adolescence, pregnancy, postpartum, as well as lactation; and children under five, with special focus on the first 1,000 days of life when cognitive development is at its peak.

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<sup>38</sup> SPRING. 2018. Assessing Drivers of Malnutrition in Nigeria: A Report on Findings from Kebbi, Niger, Benue, and Cross River to Inform Food Security Investments. Arlington, VA: Strengthening Partnerships, Results, and Innovations in Nutrition Globally (SPRING) project.

The nutrition pathways that relate to agriculture are women's empowerment, income for food and non-food items, production for own consumption, and increasing affordable diverse food and nutritious food products in markets. Studies from Africa, Asia, and Latin America clearly show that women's incomes, and level of control over income, have significantly greater positive effects on child nutrition and household food security than income controlled by men. Thus, nutrition-sensitive agricultural interventions that increase women's income and their control over resources can dramatically increase the potential for positive child nutrition outcomes and health outcomes. The effects appear to be most pronounced among the lowest income groups.<sup>39</sup> GFSS performance indicators include "Percentage of female participants in USG-assisted programs designed to increase access to productive economic resources [Implementing Mechanism-level]". Therefore, to increase women's income and their control over resources, GFSS investments will focus on increasing female participants in USG-assisted programs to at least 50 percent of beneficiaries, and collect data using the "Abbreviated Women's Empowerment in Agriculture Index (A-WEAI) Score [ZOI-level]".

This theory of change acknowledges that competition over natural resources is viewed as a driver of conflict or a core grievance in current and past conflicts in Nigeria, including BH and ISWA insurgencies in the northeast, the re-emergence of militancy and violent attacks on oil infrastructure in the Niger Delta region, the pro-Biafra separatist groups in the Southeast, and the current herder/farmer conflicts, particularly in the north-central region. In order to ensure that GFSS interventions do not create or exacerbate tensions, new activities will be expected to complete a conflict and sensitivity analysis.

#### **4. Program Components**

Nigeria's economy is poised to be one of the largest and most robust on the African continent, and must also be capable of delivering on its national food and nutrition security goals, generating exports, and bolstering household incomes and job growth, translating into associated results. Over the next five years, GFSS investments in Nigeria will facilitate private sector investment and will reinforce GON and state government efforts to build a robust agricultural economy. In doing so, GFSS interventions will endeavor to achieve three primary objectives as laid out in the results framework below:

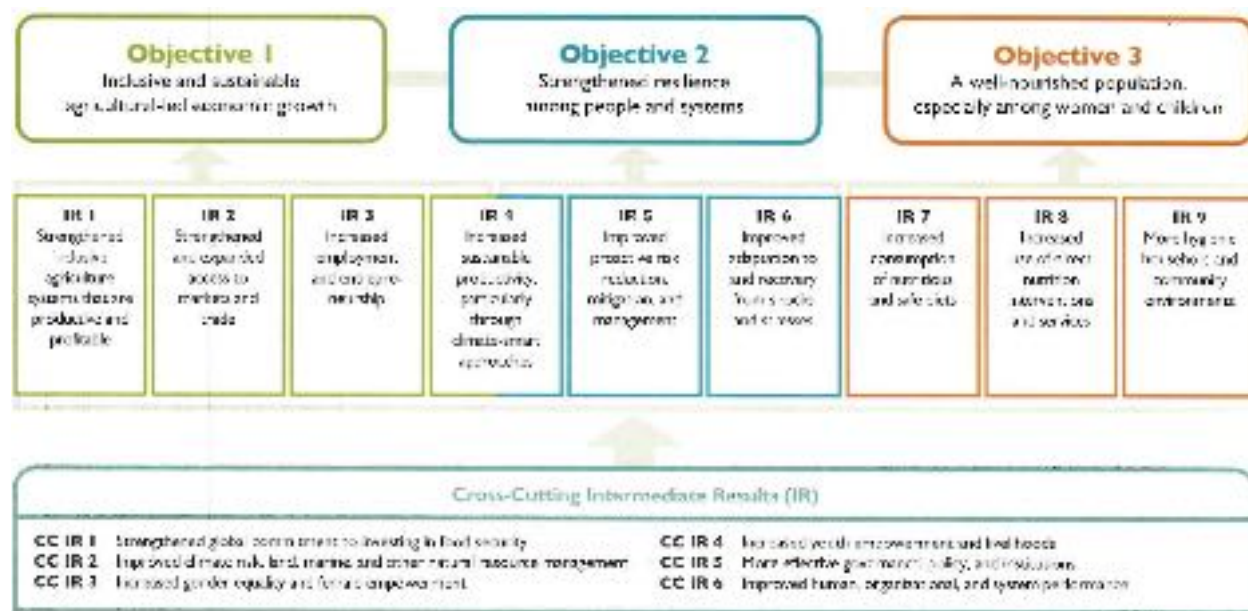
- 1) inclusive and sustainable agriculture-led economic growth,
- 2) strengthened resilience among people and systems, and
- 3) a well-nourished population, especially among women and children.

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<sup>39</sup> <http://siteresources.worldbank.org/INTARD/825826-1111134598204/21608903/January2008Final.pdf>

## Nigeria GFSS Country Plan Results Framework

### Goal: Sustainably reduce poverty, hunger, and malnutrition



In supporting this agenda, the GFSS will explicitly facilitate market-led solutions, and emphasize commercially viable participation of private sector actors. Planned program components, in alignment with the priorities determined in the GON's APP (2016-2020) and Agriculture Sector Food Security and Nutrition Strategy (2016-2025), will catalyze inclusive agriculture sector growth. GFSS programming will focus on small and growing enterprises, including farmers, to access the technology and inputs needed to boost productivity and household nutrition, increase participation in markets through a value chain approach, and improve access to financial services (IR1, IR2). Further, activities conducted under the GFSS will build the capacity of the private sector as well as government officials at the federal, state, and local levels to improve the agribusiness enabling environment.

The GFSS focus will include all stakeholders in the value chain, such as the private sector, associations, CBOs, CSOs and smallholder farmers. To reach scale, GFSS investments will explore the use of proven innovations and technologies, including the use of ICT to disseminate information on improved production practices, and drive behavior change through communication to a larger audience, over broad geographic regions.

Nigeria's urban areas are growing almost four times faster than the rural areas, with urban areas growing at 4.3 percent per year and rural areas growing at 1.14 percent annually.<sup>40</sup> By building capacity, and by introducing appropriate and innovative technologies within agricultural value chains, smallholder farmers, vulnerable households, agro-processors and other agro-allied companies, financial institutions, transporters, and exporters, can grow their incomes, create jobs, and expand their economic opportunities within the rural, peri-urban and urban areas. Agricultural investments under the GFSS could create an impetus for rural dwellers to develop

<sup>40</sup> <https://esa.un.org/unpd/wup/CD-ROM/>

sustainable livelihoods in their home communities, and for urban dwellers with limited employment opportunities to engage in productive off-farm activities.

#### 4.1. Component A: Increasing the Productivity, and Competitiveness of Selected Value Chains and Market Systems

Building on Feed the Future interventions in focus states, and guided by lessons learned, GFSS investments will continue to support inclusive and sustainable agricultural-led economic growth by increasing the competitiveness of smallholder producers along the selected value chains. Medium- and small-scale farmers with five hectares or less, including women and youth, and larger commercial holdings with contract farming and out-grower schemes with smallholder farmers, will constitute the majority of the targeted beneficiary population.

Investments under this component will contribute to achieving GFSS Objectives one and three through both market-systems development and nutrition-sensitive agriculture programs. Market system development activities will allow for outcomes in which the agricultural competitiveness and economic growth objectives are maintained and enhanced, while also striving to meet nutrition objectives. Key nutrition-sensitive agriculture results shall include improved availability, affordability and desirability of diverse, nutrient-rich foods in local markets, and increased time and energy savings by women.

To boost commodity production, GFSS investments will seek to strengthen inclusive agriculture systems that are productive and profitable (IR1) by leveraging new private investments that directly benefit Nigerian smallholder farmers through improved access to high-quality inputs at lower prices, reliable market information and advisory services, and reliable and regular sourcing of raw materials. Direct engagement with the private sector will be critical to the success of the GFSS country plan. This approach will strengthen and expand access to markets and increase trade (IR2), ultimately extending Nigeria's capacity to trade in sub-regional markets throughout West Africa. Agricultural production will be demand-driven, refocusing production-based efforts within a market-based framework that recognizes the market as the driver and requires that investments be aligned with market needs and evaluated against market performance. Market information systems will be developed to ensure that agricultural stakeholders use accurate information to improve their planning and decision-making processes.

GFSS investments in Nigeria will help smallholder farmers to access the technology and inputs needed to boost productivity and household nutrition, increase participation in markets through a value chain approach, and improve access to financial services. The investments will stimulate inclusive and innovative agricultural extension and advisory services, facilitate the availability and accessibility of quality agricultural inputs, provide farmers with skills and knowledge about modern agricultural practices, and forge strong ties between value chain stakeholders. USAID activities under the GFSS in Nigeria will provide technical assistance to government officials at the federal, state, and local levels to improve the agribusiness enabling environment, and enable improved food security, nutrition, and resilience.

Livestock feed makes up more than 60 percent of the cost of animal production. With 40 percent of crop biomass made up of crop residue, technical assistance will be provided to farmers and youth towards building their capacity to process and market the residue of the selected value

chain crops (cowpea, maize, rice and soybean) into livestock feed (forage and fodder), especially for use during the dry season when feed is scarce and there is livestock migration from the northern region to the south in search of feed and water. This intervention will increase farmers' income and create jobs for youth. It will also improve livestock productivity, supporting sustainable intensification and increasing the resiliency of animal production systems, buffering against inevitable seasonal fluctuations in the availability of grazing and more severe shocks relating to drought.

GFSS investments in sanitary and phytosanitary measures, and integrated Pest Management, including providing technical support to and building the capacity of public and private regulatory agencies, such as the Nigeria Agricultural Quarantine Service (NAQS), will help to alleviate the impacts of higher commodity losses and reductions in trade from pest outbreaks (such as Fall Armyworm) and diseases. The private sector will benefit from smarter regulations, as consumers, both in Nigeria and in regional markets, gain confidence in the quality of Nigerian-made products, thus increasing demand for them.

Increasing access to finance for agricultural purposes, particularly among vulnerable populations, women, and youth, is another critical area where the Nigeria Mission will engage with the private sector. Activities conducted under the GFSS can use existing Development Credit Authority facilities with Nigerian banks to secure more advantageous loan terms for private firms and individuals who engage in agricultural value chain production and trade in order to enable them increase sustainable agriculture productivity, particularly through climate-smart agriculture. Activities implemented under the GFSS country plan will work with financial institutions to sensitize them to the promise of agricultural lending and will work with clients to improve their project documentation and link them with appropriate financial institutions.

Where relevant and feasible, digital tools and technologies, including mobile money and other digital financial services, will be leveraged in order to reduce transaction costs, ease the sharing of information and efficiency of payments, and increase the trade of products and services between value chain actors.<sup>41</sup>

In partnership with USAID West Africa Regional Mission, GFSS investments will improve the competitiveness<sup>42</sup> of West African farmers and firms by increasing productivity, and investment and adoption of improved technologies, thereby boosting trade in agricultural goods, particularly at the intra-regional level, by forging partnerships and grantee relationships with private firms. Interventions will promote and expand trade opportunities, both within the West African sub-region, as well as to external export markets, with a particular focus on value-added processing in West Africa. These would be achieved through increased smallholder access to key services such as improved post-harvest handling and labor-saving technologies, including on-farm mechanization. Relationships between and among key value chain stakeholders, such as producer associations, financial institutions, and agribusinesses (including input suppliers, contractors, transporters, manufacturers and agro-processors), would also be strengthened.

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<sup>41</sup> [https://feedthefuture.gov/sites/default/files/resource/files/GFSS\\_TechnicalGuidance\\_Digital.pdf](https://feedthefuture.gov/sites/default/files/resource/files/GFSS_TechnicalGuidance_Digital.pdf)

<sup>42</sup> USAID defines agriculture competitiveness as the ability of a farm, firm, sector, or country to sell and provide goods and services in a given market – in relation to the ability and performance of other farms, firms, sectors or countries in the same market.



Activities implemented under the GFSS will increase employment and entrepreneurship (IR3) by building local expertise in commodity storage and handling, and in post-harvest loss reduction, areas in which private sector participation is essential to boosting agricultural-based growth and exports. GFSS investments in non-farm interventions are expected to create employment opportunities for women and youth who may not have access to land or who only prefer non-farm economic opportunities.

Several ongoing interagency programs align with the GFSS country plan. The U.S. Department of Commerce, through the Foreign Commercial Service, links farmers and agribusinesses to U.S. agricultural input and equipment suppliers, and leads Nigerian agribusiness delegations to major U.S. agricultural trade shows to source and procure high quality agricultural inputs. The U.S. African Development Foundation (USADF) is helping smallholder farmers increase their agricultural production and generate incomes, and train agricultural cooperatives for sustainable growth. Through various U. S. Department of Agriculture (USDA) capacity building programs, Nigerians benefit from training in-country, as well as in the United States, to boost agricultural productivity and market linkages for targeted products. Depending on the availability of funds, USDA could support programs designed to mitigate the negative impact of climate change on agricultural productivity. The U.S. Trade and Development Agency (USTDA) administers grants to agricultural firms for feasibility studies for potential sector investments. A recent grant to the Honeywell Group to assess the viability of a power plant for flour processing plant, five additional food manufacturing and processing plants, and a cold storage unit is an example of the types of feasibility studies that it funds.

#### Expected Outcomes

- Increased productivity and competitiveness of selected value chains
- Value of agricultural and rural loans increased
- Female<sup>43</sup> participants in USG-assisted programs increased
- Youth<sup>44</sup> participants (15-29) in USG-assisted programs increased

#### 4.2. Component B: Enhancing the Capacities of Vulnerable Households and Communities to Respond to Shocks and Stresses

USAID defines resilience as the ability of people, households, communities, countries, and systems to mitigate, adapt to, and recover from shocks and stresses in a manner that reduces chronic vulnerability and facilitates inclusive growth. Before implementation of interventions, market analyses will be conducted to determine the key interventions that would have the most impact on building the resilience of vulnerable households.

Employing a multi-faceted and integrated approach, GFSS investments will build the capacity of vulnerable households and communities, strengthen governance structures, and build the capacity of CSOs and CBOs throughout the ZOI so as to improve their ability to adapt to and recovery from shocks and stress. Activities will focus on areas in the a) Northeast that have been affected by the BH and ISWA insurgencies; b) Northwest that are highly vulnerable to climate change; c) North-central with high incidences of herder/farmer conflicts; and d) South-south that

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<sup>43</sup> GFSS in Nigeria will consider off farm livelihood and entrepreneurial opportunities that are women friendly

<sup>44</sup> GFSS in Nigeria will consider off farm livelihood and entrepreneurial opportunities that are attractive to the youth

are prone to militant activities due to the deep-rooted socio-economic problems in the region and where the productivity of the farmlands has also been affected by oil spills and environmental contamination. GFSS interventions will build the capacity of targeted households with or without access to farmlands, through on- and off-farm interventions, especially for urban youth, so that they are able to increase sustainable agricultural productivity, particularly through climate-smart agriculture (IR4), in order to be able to cope with the multiple impacts of poverty, hunger, malnutrition, conflict, and climate change.

Resilience activities are designed to be adaptive, assisting households to build modest cash reserves through savings and internal lending schemes and mobile money accounts. Finally, the activities will help beneficiaries to access credit and savings services by connecting them with banks and microfinance institutions, and through digitally-enabled financial services (i.e. for credit and insurance products) so that there is an improved proactive risk reduction, mitigation, and management (IR5). GFSS investments will stimulate market systems growth and diverse economic opportunities and build the capacities of individuals, households, communities, systems, governments to take advantage of available market systems opportunities. Agricultural market systems depend on an array of non-farm agriculture-related activities, including input supplies, farm-related labor (land preparation, harvesting, spraying, and irrigation), services such as the provision and repair of small-scale mechanization, aggregation, storage and processing, wholesale trade, and retail trade. All of these interventions represent potential business and employment opportunities for populations affected by the crisis.

Interagency collaboration will crowd in investments to amplify resilience impacts in targeted communities. The USAID/Nigeria Peace and Democracy & Governance Office (PDG) office is promoting resilience by strengthening local governance capacity, promoting conflict mitigation, and building community trust and social capital. The USAID/Office of Foreign Disaster Assistance (OFDA) and USAID/Food for Peace (FFP) aim to collaborate and coordinate with the Office of Economic Growth & Environment, through the Feed the Future initiative, to invest in activities in the Northeast, such as the proposed Feed the Future Nigeria Rural Resilience Activity, that strengthen the resilience of individuals, households, and communities to withstand and recover from shocks (e.g. flood, drought, steep food price increases, communal conflicts, and insurgency (IR6), and to reduce the need for external humanitarian and emergency food assistance. Their goal is to transition beneficiaries from dependence on humanitarian assistance to engagement in economic activities.

Specific activities under this objective may include promoting climate smart agriculture, small ruminant production, exploring and scaling up proven small-scale irrigation technologies to extend the duration of cropping and number of cropping cycles per year, increasing local and regional food procurement, cash for work, cash for assets, and income generating activities. Continued advocacy for the GON's and State Governments' social safety net program through the cash sector working group, which is organized by the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) and other partners, could reduce the need for humanitarian assistance and encourage beneficiary self-sufficiency and resilience. The impact of public and private agricultural insurance schemes will be explored for sustainability and possible implementation. To boost resilience, GFSS interventions will form savings and internal lending groups among vulnerable populations and connect them with formal financial institutions so they can move from the unbanked to a position where they can receive credit to scale up their fledgling businesses.

#### Expected Outcome

- Resilience capacities of households, communities, and systems to better absorb, adapt, and transform in response to stresses and shocks increased
- Increased participation of young men and women in market systems as farmers, entrepreneurs, service providers, and employees
- Improved coordination and complementarity of humanitarian, market development, and resilience programming across USAID offices

#### 4.3. Component C: Improving Access to and Use of Diverse, Safe, Nutritious, and High-Quality Foods

GFSS investments will leverage the capabilities of other donor and UN agencies, such as UNICEF and WHO, to complement GON and State Governments' efforts to identify and address the underlying determinants of malnutrition while strengthening coordination, collaboration, and accountability for nutrition across sectors. The primary target populations will be adolescent girls, women of reproductive ages (ages 15-49), and children under five, with a specific focus on the 1,000-day window from pregnancy to a child's second birthday when the cognitive development of the newborn is at its peak. GFSS investments will help the GON to consolidate and strengthen its nutrition coordination in order to accelerate the sectoral buy-in of the National Policy on Food and Nutrition in Nigeria.

Nutrition-sensitive agriculture can increase the availability and consumption of diverse and nutritious foods for rural households, especially women and children, by positively affecting the food available for household consumption as well as the price of diverse foods, generating income for expenditure on food and non-food items, and increasing women's empowerment, which affects income, caring capacity and practices, and female energy expenditure. Pathways and principles linking agriculture to nutrition will be used to systematically consider opportunities and threats to nutrition across all GFSS program components, prioritizing preventative approaches that have the potential to impact both wasting and stunting. A study on the drivers of malnutrition in Nigeria was recently completed. One of the recommendations of the report is ensuring a sustainable and year-round diverse food production,

consumption, and availability. GFSS investments will increase consumption of nutritious and safe diets (IR7) by creating and strengthening systems to support a sustainable and year-round production, consumption, and availability of nutrient-rich foods that will include animal-sourced food such as dairy products (milk, yogurt, and cheese), eggs and meat for beneficiaries, especially vulnerable households, women of reproductive age, and women with children of less than 2 years of age.

Investments will increase the use of direct nutrition interventions and services (IR8) by strengthening and linking health services and agricultural market systems, with a special emphasis placed on private sector engagement to create an enabling environment for improved nutrition. Nutrition-specific and nutrition-sensitive programming will be aligned and coordinated to deepen impact through leveraging interagency and other development partner efforts to systematically and holistically improve nutrition. Interventions will include maternal nutrition; early initiation of breastfeeding and exclusive breastfeeding; infant and young child feeding; management of malnutrition in children under five; nutrition information systems; promoting WASH interventions and SBC activities, that will ensure access to clean drinking water, hand washing, and improved sanitation; and using digital tools and services where they can expand the scale and improve the success of nutrition-related interventions. As a high-priority country under the USG's Global Water Strategy (GWS), water-related activities will align with USAID/Nigeria's High-Priority Country Water Plan, which primarily focuses on strengthening governance and institutions in urban areas in target Nigerian states in order to ensure more hygienic households and community environment. GFSS interagency teams will leverage resources with the private sector, CBOs, and CSOs to implement nutrition-specific and nutrition-sensitive interventions.

Nigeria has the second-largest population of people living with HIV and AIDS in the world. While the relative contribution of HIV infection to childhood malnutrition may be small, an integrated approach to managing nutrition and HIV through interagency collaboration and coordination is necessary, given the number of individuals affected. USAID/Nigeria Health, Population, and Nutrition (HPN) and HIV/AIDS Offices will strengthen health systems to improve nutrition-specific services and outcomes. National health systems strengthening, focused on training, support, and accountability will improve the overall quality and capacity of the system.

While there may be significant potential to address chronic malnutrition through agricultural growth, it remains critical to respond to the impacts of the ongoing emergencies in the north by addressing the high rates of acute malnutrition through both treatment and prevention efforts, both of which are key contributions of FFP and OFDA in the northeast. Activities implemented under the GFSS will improve hygiene (IR9) by using market-based solutions to promote access to clean drinking water and sanitation. A strong focus on social and behavior change communication will ensure consistent and appropriately tailored and targeted nutrition messaging and activities across all three GFSS components. Interventions will engage and empower women through context-appropriate platforms while being careful to avoid adding to women's workloads. GFSS activities will work with both men and women to create a supportive environment for improved nutrition-related norms and practices.

#### Expected Outcome

- Prevalence of stunting and wasting among children under five years of age reduced
- Prevalence of underweight women of reproductive age reduced
- Percentage of households with access to a basic sanitation service increased

#### 4.4. Component D: Advancing Country Leadership Through Strengthening of Selected Policy Systems

The Government of Nigeria has undertaken efforts to promote long-term economic and social development by implementing the CAADP principles and framework through the Nigeria Agricultural Investment Plan (NAIP). The NAIP provides a blueprint for returning Nigeria agriculture to its once prominent role of anchoring Africa's largest economy. The NAIP remains a central tool for the Comprehensive Africa Agriculture Development Program (CAADP) implementation as it translates the continental and country aspirations into an evidence based plan with clear targets, budgets and mutual accountability. Despite being a signatory to the Malabo Declaration, the GON commits 2 percent or less (rather than 10 percent) of public expenditure to the agriculture sector. GFSS policy interventions will coordinate with GON Ministries, Departments, and Agencies (MDAs); and the National Assembly legislative body to facilitate a process that will increase investment in the agriculture sector. The GON has also initiated national and sector-specific economic policies that it sees as important to achieving sustainable, broad-based economic growth. The Economic Recovery and Growth Plan (ERGP) and the Presidential Enabling Business Environment Council's Enabling Business Environment 60-Day National Action Plan are examples of two national plans that are designed to improve Nigeria's competitiveness and make it a more attractive destination for investment. Sector-specific plans like the APP will contribute to the achievement of national plans. GFSS investments will be critical to support the government-led development agenda and effect agricultural transformation.

Activities conducted under the GFSS will work closely with key stakeholders in the GON, in the private sector, and at the civil society level (including the media, NGOs, and CSOs) to implement interventions that will complement Nigeria's signed CAADP compact. GFSS activities will support Nigeria's efforts to harmonize and accelerate private sector investments, including trade-based investments, such as the New Alliance<sup>45</sup>, Grow Africa<sup>46</sup>, and CAADP commitments as articulated in the NAIP. Improving Nigeria's ranking in the World Bank Doing Business indicators is one of the GON's top policy priorities; GFSS investments will help the GON achieve this goal to the extent that it is consistent with GFSS objectives. Involving private sector stakeholders in policy advocacy will complement grass-roots efforts from CBOs and NGOs to scale up policy reforms.

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<sup>45</sup> The GON joined the New Alliance in 2013 and has committed to policy actions in the areas of business enabling environment, inputs, land, nutrition, resilience and risk management, and trade and markets.

<sup>46</sup> A network of partners including International and domestic private sector companies, public-sector organizations, farmer organizations, service providers, financiers, development organizations and NGOs working to increase responsible private sector investment in agriculture, and accelerate the execution and impact of investment commitments on smallholder farmers.

Additional policy interventions will help research institutions develop high-quality policy documents and provide technical assistance to GON officials and decision-makers to analyze data and make informed decisions. Interventions of this nature function as policy enablers, as they extend the ability of decision-makers to make evidence-based decisions while building demand for more policy analyses to inform activity implementation.

Activities conducted under the GFSS will support the following top-line priority policy areas designed to achieve systemic change at scale.

- Policy Area 1: Resilience and Agricultural Risk: Support the Buhari Plan for Humanitarian Assistance and Social Cohesion to deliver coordinated and integrated assistance to people in the Northeast, track and analyze the risks and vulnerabilities of affected populations and integrate them into policy-making and support vulnerable populations to respond to shocks and stresses.
- Policy Area 4: Nutrition Policy: Support the implementation of the National Strategic Plan of Action for Nutrition which will result in achieving the objectives of improving nutrition status of Nigerians, particularly among vulnerable groups.
- Policy Area 5: Agricultural Trade: Support the full implementation of Nigeria's commitment to the Trade Facilitation Agreement by working with the National Trade Facilitation Committee.

Overall, the success of GFSS investments in Nigeria will be measured by reduction in hunger, malnutrition, and extreme poverty, where:

- Thriving local economies generate increased income for all people through increased productivity, market participation, investment, and adoption of improved technologies;
- resilient households and communities face fewer and less severe shocks, have less vulnerability to the shocks they do face, and are helping to accelerate inclusive, sustainable economic growth; and
- people consume balanced and nutritious diets and children grow up healthy and reach their full potential.

## **5. Agricultural Research and Development for Innovation**

To incorporate the Global Food Security Research Strategy into the design, implementation, and learning of food security and nutrition programming, GFSS activities will extend new and innovative technologies, production practices, and expertise from the BFS, Feed the Future Innovation Labs, the Consultative Group for International Agricultural Research, the National Agricultural Research System, relevant stakeholders, and other centrally-funded research programs to Nigeria universities, research institutions and the media so they can better design, conduct, analyze, and publish research. Links between these research institutions, extension systems, and agricultural stakeholders will be strengthened to ensure that research findings are adopted to improve agricultural productivity and to guide the course of future public researches.

## **6. Stakeholder Engagement Platforms**

To prepare the GFSS Nigeria country plan, USAID/Nigeria held three two-day consultative workshops with stakeholders from the northern, north-central and southern regions in the public

and private sectors, CSOs, CBOs, academia, development partners, and NGOs. The objective of the workshops was to chart a path for achieving agricultural transformation in Nigeria to meet national food and nutrition security goals. At the end of the workshops, stakeholders' priorities clustered around seven action areas: improved agricultural research and innovation capacity; improved extension and communication systems, including ICT, for the delivery of agricultural services; strengthened policy implementation capacity; improved access to finance; strengthened market systems and value chains; improved access to agricultural inputs; and improved nutrition and child health. The country plan outlined in this document responds to these priorities and envisions ongoing collaboration with stakeholders.

Policy engagement under the GFSS will involve a wide variety of stakeholders, including the private sector, business groups and associations, and donors to advocate for a better agribusiness enabling environment. One of the major challenges in agricultural policy formulation and implementation in Nigeria is inadequate coordination between MDAs and across the three levels of government (federal, state, and local) where it is implemented. GFSS stakeholders will work with the Alliance for a Green Revolution in Africa to bridge these gaps using African-led solutions for more efficient and effective policy coordination and implementation.

The GFSS Nigeria interagency team has established a GFSS stakeholder group to strengthen its engagements with the GON, State Governments, and Nigerian stakeholders to advance the GFSS country plan through regular consultations, field trips, meetings, and workshops; in doing so, ensuring their involvement and buy-in in the implementation of the GFSS.

## U.S. Government Interagency Partners

