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ANNEX 1

of the COMMISSION IMPLEMENTING DECISION on the financing of the annual action plan in favour of the Federal Republic of Nigeria for 2022

Action document for the EU- Support to Agriculture Value Chain Facility (EU-VACE) NG

ANNUAL PROGRAMME

This document constitutes the annual work programme in the sense of Article 110(2) of the action plans/measures in the sense of Article 23 of NDICI-Global Europe Regulation.

1. SYNOPSIS

1.1. Action Summary Table

<p>1. Title CRIS/OPSYS business reference Basic Act</p>	<p>EU PROGRAMME ON CLIMATE-SMART AGRICULTURE FOR DEVELOPMENT (Agri-CADE) phase 1 – EU Support to Agriculture Value Chain Facility (EU-VACE) OPSYS/CRIS number: 2022/044-187 (ACT-60886) Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)/Overseas Association Decision/European Instrument for International Nuclear Safety Cooperation Regulation</p>
<p>2. Team Europe Initiative</p>	<p>Yes Nigeria (Green Economy)</p>
<p>3. Zone benefiting from the action</p>	<p>The action shall be carried out in Nigeria</p>
<p>4. Programming document</p>	<p>Nigeria/ Multi-Annual Indicative Programme (MIP) of the NDICI 2021-2027¹</p>
<p>5. Link with relevant MIP(s) objectives/expected results</p>	<p>This Action intends to contribute to priority area 1 of the MIP on Green and Digital Economy, in its specific objective 1 “Develop climate-smart agri- (aqua-) culture and sustainable transformation of Agri-SMEs in selected value chains, with a view to creating decent jobs’ alternatives to internal and irregular migration” (DAC codes 311)” and in particular to the following results:</p> <ul style="list-style-type: none"> • Emergence of new, and growth of existing (women and youth-led) agri-businesses (aggregators, processors, manufacturers, wholesalers, transporters and retailers) in sustainable agricultural value chains to achieve growth in production, including exports of agricultural commodities and products; • New jobs created in rural and blue economy sectors, as well as agro-ecology, especially for youth and women in Nigeria’s agricultural “production” and “consumption belts”; • Improvement of smallholder livelihoods through capacity building and investments; • Improved food security, reduction of livestock/crop losses through application of EU standards;

¹ https://international-partnerships.ec.europa.eu/system/files/2022-01/mip-2021-c2021-9273-nigeria-annex_en.pdf

	<ul style="list-style-type: none"> Introduction of nature-based agricultural measures reducing climate change vulnerability, enhancing biodiversity and combating deforestation and desertification. 			
PRIORITY AREAS AND SECTOR INFORMATION				
6. Priority Area(s), sectors	Priority Area 1 Green and Digital Economy (DAC code 311)			
7. Sustainable Development Goals (SDGs)	Main SDG (1 only) 2 (Zero hunger ²), Other significant SDGs (up to 9) and where appropriate, targets: SDG 1 (No poverty), SDG 5 (Gender equality), SDG 8 (Good jobs and economic growth) SDG 9 (Industry, innovation and infrastructure), SDG 10 (Reduced inequalities), SDG12 (Responsible consumption and production), SDG13 (Climate action), SDG15 (Life on land) and SDG 17 (Partnerships)			
8 a) DAC code(s)	31110 - Agricultural policy and administrative management -30% 31161 - Food crop production – 30% 31193 - Agricultural Financial services – 20% 32161 - Agro-industries – 20%			
8 b) Main Delivery Channel	13000 - Third Country Government (Delegated co-operation)			
9. Targets	<input type="checkbox"/> Migration <input checked="" type="checkbox"/> Climate <input type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input checked="" type="checkbox"/> Biodiversity <input type="checkbox"/> Education <input type="checkbox"/> Human Rights, Democracy and Governance ³			
10. Markers (from DAC form)	General policy objective	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Aid to environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

² Achieve food security and improved nutrition and promote sustainable agriculture

³ Thematic target for geographic programmes (at least 15%) in delegated act.

	Nutrition	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective
	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Internal markers and Tags:	Policy objectives	Not targeted	Significant objective	Principal objective
	Digitalisation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	digital connectivity digital governance digital entrepreneurship digital skills/literacy digital services	YES <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/>	NO <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>	
	Connectivity @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	digital connectivity energy transport health education and research	YES <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	
	Migration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
12. Amounts concerned	Budget line BGUE-B2021-14.020120-C1-INTPA Total estimated cost: EUR 17 000 000 Total amount of EU budget contribution EUR 13 000 000 This action is co-financed by the Federal Ministry for Economic Cooperation and Development of Germany (BMZ) for an amount of 4 000 000			
MANAGEMENT AND IMPLEMENTATION				
13. Type of financing	Indirect management with the entity(ies) to be selected in accordance with the criteria 4.4.1.			

1.2. Summary of the Action

Sustainable agriculture designed to be⁴ climate-smart, nature-positive, income and jobs generating, creating economic growth and food security is the focus of the MIP 2021-2027, priority 1: Green and Digital Economy. The proposed action will contribute to this priority by supporting the development of agricultural value chains with emphasis on climate-smart agriculture and agri-entrepreneurs/businesses, while ensuring a low environmental footprint in line with the EU Biodiversity Strategy. It will concentrate on Nigeria's agricultural 'production belt' in the North-

⁴ [A European Green Deal | European Commission \(europa.eu\)](https://european-council.europa.eu/media/en/press-operations/infographic-116166/image001.png)

West/North Central and assist in linking it to markets in Nigeria's 'consumption belt' in the South West/South-South. In the northern states, the action will support decent jobs' creation and growth of businesses, primarily for the rural youth, at various skills levels, which could support the growth of the processing sector, close to the production sources. Part of the success of this approach will depend on facilitating downstream value chains development all the way to the final consumer, with much of the demand situated in the south part of the country.

A technical assistance facility will be created to flexibly engage with businesses and smallholder farmers and processors in several value chains. Priority will be given to value chains and commodities with the greatest potential in terms of climate change mitigation and adaptation, increase of production volumes and quality, value added, job creation for women and youth thus addressing root causes of youth migration to the cities, precarious jobs, and eventually irregular migration. The project will give traction to the Green Economy Team Europe Initiative. It will further the objectives of the Global Gateway, by building up a pipeline of investment projects in agricultural infrastructure, innovation, climate change mitigation and adaptation, etc. It will be implemented in the context of the agriculture sectoral policy dialogue with Nigeria, in particular the Ministry of Agriculture, Environment and the Ministry of Industry, Trade and Investment, as agreed in the EU-Nigeria Ministerial Declaration of November 2020 and the ensuing implementation roadmap.

This Action is aligned with priorities under the European Green Deal, the EU Industrial Strategy, and Farm to Fork Strategy as it relates to sustainable food systems and contributes to strategic food autonomy. Furthermore, the Action will contribute to the 2030 Agenda for Sustainable Development and the European Consensus for Development, and in particular SDG 1 (no poverty), SDG 2 (zero hunger), SDG 8 (good jobs and economic growth), SDG 9 (industry, innovation and infrastructure), SDG 12 (responsible production), and SDG13 (climate action). In this sense it is also in line with the Resilience and Humanitarian-Development-Peace Nexus. It will also contribute to the first pillar 'Investment in small and medium-sized farms, promoting agro-ecological approaches resilient to climate change, and strengthening of value chains, local markets, organisation of exports' of the Great Green Wall initiative.

In this context, the Action will pursue the attainment of the MIP objective of the '**Development of climate-smart agri- (aqua-) culture and sustainable transformation of Agri-SMEs in selected value chains, with a view to creating decent job alternatives to internal and irregular migration**' through the implementation of the following activities leading to the achievement of the following results:

1. Emergence of new, and growth of existing (women and youth-led) agri-businesses in sustainable agricultural value chains to achieve growth in production, including exports of agricultural commodities and products;

Activities under this heading will concentrate on support to agri-businesses to increase productivity, value added, quality standards, exports potential and employment generation. They will target various segments of value chains "from farm to fork", including aggregators, (cold) storage, processors, manufacturers, wholesalers, transporters, retailers. Businesses will be assisted with capacity building, advice, and access to finance. Dialogue with the government will address business and investment hurdles.

2. New jobs created in rural and blue economy sectors, as well as agro-ecology, especially for youth and women in Nigeria's agricultural "production" and "consumption belts";

Rural women and youth will be assisted with skills development and equipment to improve their employability and open up new entrepreneurship opportunities, such as in agri-services. These employability boosting interventions will link to the business support measures under the first output area. At the same time, the authorities will be engaged to pro-actively support entrepreneurship and job creation, with a view to creating decent job alternatives mitigating internal and irregular migration.

3. Improvement of smallholder livelihoods through capacity building and investments;

This output area will entail capacity building and support to male and female smallholder farmers for improved livelihoods, investment opportunities and access to sustainable innovative finance solutions. Public and private stakeholders will be engaged for policy solutions targeting micro businesses.

4. Improved food security, reduction of livestock/crop losses through application of EU standards;

Activities under this heading will promote solutions to improve aggregation, delivery, production, processing and crop protection, including weather information and extension service provision. Investments will also be promoted to reduce post-harvest food losses, to address climate change and environmental degradation, improve food and water security and minimise disaster risks, including disaster displacement, promoting cost effective circular economy initiatives.

5. Introduction of nature-based agricultural measures reducing climate change vulnerability, enhancing biodiversity and combating deforestation and desertification.

This output area will support climate adaptation and mitigation measures. It will facilitate introduction of innovative solutions in addressing climate change and environmental degradation, enhancing biodiversity and combating deforestation and desertification; integrated pest-management solutions; clean charcoal production and cooking; non-timber forest products; improved livestock feeding and breeding solutions for the reduction of methane emissions; clean energy transition; etc..

The action will build on the experience of the Nigeria Competitiveness Project (NICOP) implemented by GIZ and co-funded by the EU and BMZ (2018-2023). The implementation modality of this Action will be indirect management with an EU Member State specialised development agency, the GIZ, based on a contribution agreement and with co-financing from the German Government, BMZ. The choice of partner is dictated by the long-standing cooperation with GIZ on the ground, including on the development of agricultural value chains, the expertise developed, the expert team assembled, and the good cooperation enjoyed with the Nigerian counterparts.

2. RATIONALE

2.1. Context

The Action is guided by the geopolitical priorities of the EU as well as Nigeria's development plans. Providing better prospects for a predominantly young population is a vital priority. It is also aligned with the jobs and growth priority and the external dimension of the EU Green Deal strategy, the 2018 Communication on a new Africa – Europe Alliance for Sustainable Investment and Jobs⁵, as well as with the 2030 Agenda for sustainable Development⁶ and the European Consensus for Development⁷. This Action is also aligned with priorities under the EU Industrial Strategy⁸, and “Farm to Fork” Strategy⁹ as it relates to sustainable food systems and strategic food autonomy. It will implement the objectives of the Global Gateway¹⁰ by promoting and facilitating investments in agricultural infrastructure and will contribute to the achievement of the objectives of the Great Green Wall initiative.

With an estimated population of 211 million in 2021 and 400+ million by 2050, Nigeria is the most populated country in Africa with over 60% of the population under the age of 25. Nigeria is also Africa's leading economy with a wealth of natural resources as well as a thriving entrepreneurial culture and creative industries. Yet, the country is confronted with numerous political, socio-economic, environmental, and severe security challenges. The World Bank estimates that some 7 million more people have fallen into poverty as a result of the COVID-19 pandemic. Notwithstanding the rebounding of the economy, according to the IMF and other sources, per capita incomes continue to decline, while high inflation (of around 15.5%, down from over 18% in 2021) is reducing Nigerians' purchasing power. Meanwhile, public resources to tackle the crisis remain extremely limited. Nigeria's revenue-to-GDP ratio stands at 7.5%, pointing to a very low revenue generation, while the debt to revenue ratio has soared above 90% as a result of increased borrowing during the pandemic.

Delivering competitiveness and inclusive growth in the agricultural and industrial sectors is critical to Nigeria's economic stability and security. Currently agricultural yields are low and value addition and processing activities minimal. Sources, including UN FAO, point to low agricultural productivity. Agricultural production increases of 2.5% per annum do not match the attendant population growth of 2.6%, fuelling food insecurity. In addition, the agricultural sector is increasingly vulnerable to climate change, environmental degradation and insecurity. Agro-processing is hampered by low investments and competition with imports. Smallholder farmers make up over 80% of all Nigerian farmers, and notably, women constitute an estimated 70-80% of the agricultural labour force. Lack of decent jobs in the sector is an important factor fuelling insecurity, the youth outflow to precarious jobs in the cities, and eventually irregular migration. The urgency to address the precarious food situation in Nigeria is exacerbated by the war in Ukraine and the related soaring of food prices¹¹ with disruptive impact for food importing countries such as Nigeria.

⁵ [EUR-Lex - 52018DC0643 - EN - EUR-Lex \(europa.eu\)](#)

⁶ [The Sustainable Development Agenda - United Nations Sustainable Development](#)

⁷ [European Consensus on Development \(europa.eu\)](#)

⁸ [European industrial strategy | European Commission \(europa.eu\)](#)

⁹ [f2f action-plan 2020 strategy-info en.pdf \(europa.eu\)](#)

¹⁰ [Global Gateway | European Commission \(europa.eu\)](#)

¹¹ UN FAO Food Price Index

The government is trying to address these challenges in several policy documents: the Nigeria Agriculture Transformation Agenda and Nigeria's Agriculture Promotion Policy introducing sustainable agriculture driven by the private sector; the National Livestock Transformation Plan, as well as the Nigeria Digital Agriculture Strategy (NDAS) are important sector strategies, pointing to the introduction of digital technologies and a focus of markets for agricultural and processed goods. In addition, key Vice-presidential initiatives concentrate on jobs' creation for youth and on innovation. Nigeria's First National Determined Contribution document has been updated in 2021 setting new ambitious targets for climate change adaptation and mitigation highlighting the important role of NBS in adaptation and to reduce the current emissions caused by Agriculture, Forestry and Other Land Use (AFOLU) which contributed to approximately 25% of national Greenhouse Gases (GHG) emissions in 2018, making it the second largest contributor sector after energy.

The objectives of the new agricultural policies are targeted towards:

- the achievement of food self-sufficiency and food security,
- increased production of raw materials for industries,
- increased production and processing of export crops,
- generation of gainful employment,
- rational utilisation of agricultural resource,
- promotion of increased application of agricultural technology,
- improvement in the quality of rural life.

The Team Europe Initiative "Green Economy" totalling around EUR 1.3 billion follows these priorities with a focus on transformational potential of diversification, circular economy principles and use of climate-smart technology. The TEI brings together Denmark, France, Germany, the Netherlands and the European Investment Bank (EIB), as well as Member States (MS) with lesser presence in Nigeria but interested in the objectives addressed¹².

2.2. Problem Analysis

The agricultural sector is the mainstay of the Nigerian economy. The sector contributes 22% to the nominal GDP¹³ and is the largest employer accounting for 36% of the labour workforce, however over 80% of that workforce are small holder farmers (SHF) engaged in agricultural production at a subsistence level with very low yields. Nigerian women constitute an estimated 70 to 80% of the agricultural labour force, and play important roles in food production, processing and marketing. Despite their importance in increasing yields and value addition, they have limited access to financial services, credit facilities, technology and crop insurance. There is also a significant outflow of young population from agriculture as a result of limited decent job opportunities in the sector. This population, largely not well educated or possessing limited skills, fuels the numbers of the city poor, unemployed or under-employed in precarious jobs. Eventually, they also join the numbers of irregular migration.

The crop production segment accounts for 87% followed by livestock at 8%. The livestock rearing is pastoral, relying on access to sources of water and pastures. Hence, herd movements are largely dictated by the weather and availability of these resources. Given the progressing desertification from the North, and general weather patterns changing, herders have however started to compete increasingly with farmers for the same limited resources. Pressures are growing on communities with violent conflicts rising. The crop production sector is also vulnerable to climate change, environmental and land degradation, especially in the drier northern states where projections mentioned in the updated NDCs 2021 indicate that rain-fed agriculture productivity could decline as much as 50%. Water access for human/animal consumption and agriculture production is reducing due to decrease and unpredictable precipitation in the savannah north, resulting in increased drought frequency and reduced surface water resources (including the Lake Chad rapid shrinking), thus increasing dependence on underground water sources. This could result in the intensification of desertification, as well as the degradation of habitats and their biodiversity. The increasing aridity in the northeast of the country has drastically reduced opportunities for sustainable agriculture and is considered a contributing factor to the current conflict and high degree of insecurity in the region.

The sector productivity is currently increasing by only 2.5% per year, while the population is increasing by 2.6%, fueling food insecurity. The major challenges of the agricultural sector in Nigeria are: Resource shortages resulting in low yields, Violent conflict, Outdated system of agriculture, Absence of value addition and supply-chain linkages, Insufficient supply to meet population growth and food demand, and Lack of access to finance. The government is addressing these challenges in a number of ways through policies, e.g. the Agricultural Promotion Policy (APP) that lasted from 2016-2020, the National Agricultural Technology and Innovation Policy (NATIP) to cover the 2021-

¹² [Nigeria - Green Economy Alliance | Team Europe Initiative and Joint Programming tracker \(europa.eu\)](#)

¹³ UN FAO Statistics

2025, the National Livestock Transformation Plan, already supported by the EU, as well as the Nigeria Digital Agriculture Strategy (NDAS), and the Anchor Borrowers' Programme (ABP).

There is a consensus among the donor/international and the Nigerian stakeholders alike that the agriculture sector is critical in boosting inclusive and green economic growth of the country.

Against this background, this action will support the government efforts through an integrated and comprehensive approach to support the development of agri-businesses and agro-jobs creation (including all subsectors), development of skills and climate-smart agro-practices, and access to finance.

Building on previous experiences, a holistic approach designed to flexibly engage with inclusive agricultural businesses will be followed. Through collaboration with agro-processors, it is possible to stimulate investment, integrate climate smart solutions, improve human capacity and deliver improved livelihoods and increased incomes across the agricultural value chain. The action will be sensitive to potential adverse effects of modernisation of agriculture that might result in workforce displacement. Integrated solutions from farm to fork invite improvements and job creation in marketing, sales, transport, and distribution. These consequent inclusive and innovative off-farm jobs are particularly attractive to rural youth, hence also addressing the root causes of migration to precarious jobs in the cities, or extremist or criminal groups. They will also offer better opportunities to potential returnees. Agricultural value addition and commercialisation, increased investments and capital formation for more intensive production provide an impetus for job creation, increased income and improved livelihoods in rural communities.

Priority will be given to value chains and commodities with the greatest impact potential in terms of climate change mitigation and adaptation, increase of production and processing to address food security, reduction in environmental degradation and biodiversity loss, value addition (processing), competitive business models, increased exports and job creation for women and youth. This approach will also contribute to the implementation of the Global Gateway by building up a pipeline of investment-ready agriculture sector projects and facilitating their access to the EU and other sources of finance. In order to strengthen the EU-Nigeria cooperation in the sector, actions planned under the MIP will be accompanied by a Nigeria-EU Agri-platform in partnership with the Federal Ministry of Agriculture and other public and private stakeholders as expressed in the EU-Nigeria Ministerial Declaration of November 2020 and the ensuing Ministerial Roadmap. The support will be accompanied by a policy dialogue mechanism through twinning.

The action will contribute to progress on a number of Sustainable Development Goals and consequent fulfilment of economic and social rights, inclusivity and gender equality, in line with Nigeria's international human rights commitments. It will contribute to the EU GAP III, and particularly its thematic areas of engagement 1) Promoting economic and social rights and empowering girls and women; and 2) Addressing the challenges and harnessing the opportunities offered by the green transition and the digital transformation. It will also contribute significantly to the Great Green Wall initiative and to Nigeria's NDC objectives and targets.

Identification of main stakeholders and corresponding institutional and/or organisational issues (mandates, potential roles, and capacities) to be covered by the action:

Key MDAs - Federal Ministry of Agriculture and Rural Development (FMARD); Ministry of Industry, Trade and Investment (FMITI); Ministry of Finance Budget and National Planning; Ministry of Environment and Ministry of Communications and Digital Economy

These are relevant government agencies with oversight functions in the sphere of youth employment, digital innovation, trade and investment, and development cooperation coordination. They will play leading roles in the action coordination bodies and provide strategic and policy guidance in the areas addressed by the action.

Selected State Governments – (e.g. Kano, Kaduna, Benue, Nasarawa, Plateau, Lagos, Oyo, Ogun, Edo, Delta and Enugu States)

While the action will have a national outlook, the priority states would be focused on the production belt and the consumption belt with emphasis on employment, entrepreneurship, access to markets and finance, and exports while also addressing the root causes of irregular migration and targeted support for potential migrants and returnees. In the northern states, the employment and entrepreneurship gains should primarily be on the producers and processors side, while in the southern states, the wholesale and retail sectors should mostly benefit. Consideration is also given to areas of ongoing intervention and potential collaboration with TEI partners.

Agri-businesses and smallholder farmers in Nigeria

These stakeholders operating in the sector will be as the main beneficiaries, with a focus on women and youth, both at the national and state level, as well as both, formal and informal sectors.

Farmers/Processors Associations

These associations organized around different commodities and activities value chains will be targeted for cooperation, collaboration and support.

European Business Organisation (EuroCham)

Recently renamed as EuroCham, the European Business Organisation was created with the support of the EU. It is a business group uniting the main European investors and corporate organisations in Nigeria. Its main objective is to actively promote trade, investments and exchanges between the European and Nigerian business, advocating European quality standards, best practices and corporate social responsibility. EuroCham is a member of the EBO worldwide Network representing European business interests in markets outside the European Union. It represents a network active in over 45 key markets that serves European multinationals, as well as micro, small, medium and large enterprises.

Public and private financial institutions

These institutions will be engaged as partners in terms of technical assistance, collaboration and access to finance and product development.

Youth and women organisations

These stakeholders will be engaged as businesses, employment beneficiaries and most importantly to ensure that the voice of women and the young population who are the largest demography is heard and taken on board.

3. DESCRIPTION OF THE ACTION

3.1. Objectives and Expected Outputs

The **Overall Objective (Impact)** of this action is to contribute to the sustainable socio-economic development of Nigeria.

The **Specific Objective (Outcome)** of this action is to support the development of climate-smart agri- (aqua) culture and sustainable transformation of Agri-SMEs in selected value chains, with a view to creating decent job alternatives for young people including addressing causes of irregular migration.

The expected Results (Outputs) are:

- 1) Emergence of new, and growth of existing (women and youth-led) agri-businesses (aggregators, processors, manufacturers, wholesalers, transporters and retailers) in sustainable agricultural value chains to achieve growth in production, including exports of agricultural commodities and products;
- 2) New jobs created in rural and blue economy sectors, as well as agro-ecology, especially for youth and women in Nigeria's agricultural "production" and "consumption belts";
- 3) Improvement of smallholder livelihoods through capacity building and investments;
- 4) Improved food security and reduction of livestock/crop losses through application of EU standards;
- 5) Introduction of nature-based agricultural measures reducing climate change vulnerability, enhancing biodiversity and combating deforestation and desertification.

This intervention will be part of the Team Europe Initiative (TEI) "Green Economy", as part of the EU programme on Climate-smart Agriculture for Development (Agri-CADE) estimated at EUR 99 million over the entire MIP period. Agri-CADE will provide for policy dialogue through a twinning with the Ministry of Agriculture (post-elections 2023), access to finance interventions through blending, provision of TVET support in selected states (especially in those states with higher incidence of irregular migration) in cooperation with an EU Member States agency(ies), and an innovative intervention through Copernicus. It will also contribute to the EU's commitment to mobilise resources and work with African partners to ensure that the objectives of the Great Green Wall become a reality. Other TEI partners include: Denmark, France, Germany, the Netherlands and the EIB. Together, the actors contributing to the TEI are pulling together some EUR 1 billion of resources dedicated to projects in climate-smart agriculture, and some related energy and technological solutions.

3.2. Indicative Activities

In order to boost sustainable climate smart agricultural production, increase agricultural exports, and facilitate an enabling environment for job creation/entrepreneurship for women and young people the following indicative activities are planned:

- 1. Emergence of new and growth of existing (women and youth-led) agri-businesses**
 - ✓ Support to new and existing (women and youth-led) agri-businesses for growth, productivity, access to market and finance along the targeted value chains “from farm to fork”;
 - ✓ Strengthening the private sector in the production and processing phases to create new business models that will improve competitiveness and create new jobs adopting responsible production principles;
 - ✓ Identifying quality pipeline for investment opportunities and supporting financial and investment readiness of selected agribusiness and inclusive and impact organisations;
 - ✓ Designing and promoting policy proposals for the improvement of business and investment climate especially in the climate-smart agriculture;
 - ✓ Establishment of high-level Private-Public Sector Policy Platform for policy reforms in the Agriculture sector;
- 2. Creation of new jobs in rural, blue economy and agro-ecology sectors especially for youth and women**
 - ✓ Provision of technical equipment and training to farmers to take advantage of digital solutions with particular focus on women and young farmers (primarily in the “production belt”);
 - ✓ Strategies development, advocacy and linkages for employment generation and opportunities in green, blue and agro-ecology sectors and selected value chains with a view to providing decent job alternatives mitigating forced displacement and irregular migration (along value chains “from farm to fork”);
 - ✓ Strengthening capacity of public sector actors to develop and implement laws and regulations that support competitiveness and job creation;
- 3. Improvement of smallholder livelihoods through capacity building and investments**
 - ✓ Capacity building and support to male and female smallholder farmers for improved livelihoods, investment opportunities and access to sustainable finance;
 - ✓ Supporting the creation of a sustainable, inclusive, conducive and active ecosystem for innovative sources of finance;
 - ✓ Supporting public and private stakeholders to deliver policy solutions to support MSMEs;
- 4. Improved food security and reduction of livestock/crop losses through application of EU standards**
 - ✓ Deploying ICT solutions and digital platforms to improve aggregation, delivery, production, processing and crop protection initiatives including weather information and extension service provision;
 - ✓ Promoting investment to reduce post-harvest food losses, to address climate change and environmental degradation, improve food and water security and minimise disaster risks, including disaster displacement, promoting cost effective circular economy initiatives;
- 5. Introduction of nature-based agricultural measures reducing climate change vulnerability, enhancing biodiversity and combating deforestation and desertification**
 - ✓ Supporting climate adaptation and mitigation solutions to add value in the agro- and aquaculture value chains;
 - ✓ Introduction of new and innovative solutions in addressing climate change and environmental degradation, enhancing biodiversity and combating deforestation and desertification; integrated pest-management solutions; clean charcoal production and cooking; non-timber forest products; improved livestock feeding and breeding solutions for the reduction of methane emissions; clean energy transition; etc.

The action will be implemented and organized into three work-streams:

Work-stream 1. Capacity Development & Access to Market (Provision of capacity building for employability, entrepreneurship, access to innovation and technologies, and market linkages measures for selected MSMEs, inclusive and impact businesses and agro-businesses). The focus will be on supporting the private sector to improve competitiveness and inclusivity by facilitating the introduction of climate smart technology and innovation with special emphasis on productivity, capacity, quality, resilience, adaptability and value addition to the agribusiness, agro-processing sector and export.

Work-stream 2. Support to access finance and investment

This work-stream will focus on collaborating with finance and investment providers to fully understand the business potential across agricultural value chains and other innovative finance products and to lend and invest in the sector.

Work-stream 3. Support reforms to improve the business and investment climate

This work-stream will focus on identifying regulatory barriers that constrain the business and investment enabling environment, developing reform proposals to improve pro-business approaches by public state actors, and supporting the implementation and awareness of these policies.

The work-streams will have gender, migration and forced displacement, disability, inclusivity, sustainability and climate change considerations mainstreamed across all approaches.

The commitment of the EU's contribution to the Team Europe Initiative to which this action refers, will be complemented by other contributions made in a Team Europe approach. It is subject to the formal confirmation of each contribution as early as possible. In the event that the TEI and/or these contributions do not materialise, the EU action may continue outside a TEI framework.

3.3. Mainstreaming

Youth empowerment and gender perspectives will be integrated throughout the Programme cycle from the design to its implementation since the aim is to improve the participation of youth and women in the economy. A gender sector analysis will be conducted at the inception phase of the programme to identify specific barriers for women's participation, including intersecting inequalities, and guide mainstreaming efforts. The Action will promote climate-smart agricultural practices and environmental protection. It will be done through the work with agri-businesses, smallholder farmers, and agri-TVET. The Action will furthermore contribute to conflict prevention and resilience, by creating livelihood and employment opportunities. It will also target the root causes of irregular migration through policy dialogue, advocacy and targeted opportunities for decent jobs, entrepreneurship and skills development for potential migrants, as well as returnees where relevant.

Environmental Protection & Climate Change

Outcomes of the EIA (Environmental Impact Assessment) screening (relevant for projects and/or specific interventions within a project)

The EIA (Environment Impact Assessment) screening classified the action as Category B (not requiring an EIA, but for which environment aspects will be addressed during design. Agriculture is both a victim and a perpetrator of climate change and biodegradation. This is why the action will focus strictly on climate-smart agriculture, introducing new and innovative solutions in addressing climate change and environmental degradation, enhancing biodiversity and combating deforestation and desertification; integrated pest-management solutions; clean charcoal production and cooking; non-timber forest products; improved livestock feeding and breeding solutions for the reduction of methane emissions; clean energy transition; etc. Interventions will take into account land usages, and potential pressures on natural resources. Specific value chains on which the Action is to concentrate will be selected based on strict criteria, including among others the climate and biodiversity impact considerations.

Gender equality and empowerment of women and girls

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that interventions allow significant opportunities to promote and achieve equitable gender outcomes. All stakeholders will be supported to develop investment strategies capitalising on the economic potential of pro-active gender reforms. Enterprises offering significant opportunity for gender solutions delivering economic empowerment will be promoted with emphasis on marginalised communities and impoverished rural areas in anticipation of better livelihoods. Gender equality and other inclusivity considerations will be fully mainstreamed across all interventions.

Disability

This action will not directly target persons with disabilities. At the same time, expanding equitable opportunities is at the heart of interventions of this action to build sustainable and inclusive communities that will contribute to reduction of poverty and increase incomes. In that sense, the action, wherever possible, will pay attention to the opportunities to include persons with disabilities in its interventions. This will also include influencing policies framework that will promote inclusion of vulnerable groups, such as women, youth and persons with disabilities through public-private dialogue and advocacy. Interventions will also ensure that any technological innovation and/or digital development are accessible and disability sensitive, including through the use of universal design and accessibility standards such as farming equipment, access to irrigation system, etc.

Democracy

NA

Conflict sensitivity, peace and resilience

The action will contribute to climate change resilience and can mitigate stakeholder conflict in the implementing states. Approaches to strengthen and leverage social and natural capital, empower women, increase youth participation in agriculture processing, strengthen policy frameworks and systems will be adopted to mitigate environmental, economic and social shocks to vulnerable communities. Increased access to financial products and services in rural communities can increase resilience capacities of rural farmers as it will enhance access to better inputs. Deliberate efforts will be undertaken at strengthening the capacity of communities, civil society and government in natural resource management to build resilience to facilitate secure and equitable access to natural resources and expand the economic well-being of the most vulnerable population.

Disaster Risk Reduction

The introduction and widespread use of climate smart technologies will address some of the effect of natural disasters and mitigate some of the negative impact of climate change and environmental degradation, including floods, droughts, pest infestation, soil erosion, storms and others. Governments at federal, state and local government will be carried along in the adoption and implementation of the relevant strategies to reduce the negative impact of disasters and disaster readiness would be considered at all phases of the project.

Other considerations if relevant

The action will target the root causes of internal and irregular migration through policy dialogue, advocacy and targeted opportunities for decent jobs, entrepreneurship and skills development for potential migrants, and foster a smooth integration and social cohesion for returnees, where relevant. Creation of viable livelihood and employment opportunities is critical in preventing irregular migration, as well as assistance to the returnees. It will be particularly relevant for those states from which irregular migration prevails (or the transition states), e.g. Lagos, Ogun, Edo, Delta and Enugu States. As the action takes a value chain development approach it, will look at the development of the sector “from farm to fork”, or in other words, all the way from the “production belt” in the North (agricultural production, aggregation, storage, processing) to the “consumption belt” in the South (transport, cold chain, storage, wholesale, retail). In this way, decent job alternatives will be created in the states from which internal migration to the cities occurs, as well as those states from which irregular migration stems.

3.4. Risks and Lessons Learnt

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium / Low)	Mitigating measures
People and the organisation	Limited knowledge and technological support base for proposed intervention activities	High	High	<ul style="list-style-type: none"> Deliberate targeting of a different demography of beneficiaries i.e. medium sized enterprises with inclusive business models Ensure support is provided to increase the required literacy level for adequate access
External environment	Shifts in governmental regulations and change of government and delays incurred through inability to develop essential policy frameworks or stakeholder consent	High	Medium	<ul style="list-style-type: none"> Public Private Dialogues Close engagement with public sector to anticipate potential regulatory changes Interventions will be proposed on the basis of lessons learned around political economy and market development factors gained from precursor actions

Planning, processes and systems	Existing business models do not meet requirements of replicability and funding	Medium	Medium	<ul style="list-style-type: none"> • Strict selection process to identify sectors and partners to be supported that meet the minimum eligibility criteria
Planning, processes and systems	Existing innovative technologies are too expensive	Medium	High	<ul style="list-style-type: none"> • Identify partnerships that can support the adaptation of climate smart technologies (impact investors, private equity, DFIs)
External environment	Security challenges and localised conflicts.	Medium	High	<ul style="list-style-type: none"> • Locations will be chosen after consideration of the potential unrest • Flexible implementation approach
External environment	Governments promote state-led investment models with a risk of land expropriation in conflict with inclusive principles	Medium	Medium	<ul style="list-style-type: none"> • Actively promote attractiveness and advantages of inclusive business models based on core best practice principles, emphasising their relevance to attracting large scale impact investment.
External environment	Environmental and climate/weather risks	High	High	<ul style="list-style-type: none"> • Actively promote climate-smart agricultural practices

Lessons Learnt:

Based on the lessons learned through the preceding NICOP project, efforts will need to concentrate on capacity building of agri-businesses to bring them to an investment-ready/bankable stage. Working with smallholder farmers will require support to their organisation and basic business literacy.

Other interventions under this Action will also be mostly with the non-government stakeholders, such as in the financial sector. The sector is relatively robust and solid but characterised by strong risk aversion to investment in the agricultural sector, for which capacity building and risk mitigation will be provided (incl. through EFSD+).

Other lessons are that:

- Understanding and promoting climate-smart technologies at all stages of the production process is key.
- Adequate engagement with public private sector actors to ensure alignment with priorities and expectations are needed.
- Technologies and innovations need to be fit for purpose, adapted to the Nigerian context and local needs
- Inclusive Businesses are fundamental with integration of small holder farmers and MSMEs as key to ensuring inclusivity and sustainability
- Opportunities to add value and migrate to new and higher level activities along the value-chain are to be increased with special emphasis on processing
- Informality of the sector needs to be addressed (i.e. contracts, rules and regulations, enabling environment)
- Traditional finance perceives novel models as too risky so more responsible and innovative sources are required (i.e. impact investment, agent banking). Catalytic role of DFI needs to be optimised
- Driving wider scale food systems transformation through inclusive agribusiness is required to ensure long term sustainability, secure supply and nutrition and women's empowerment
- Empowering critical partners to access local and regional markets with the right quality, certification and standards and specifically exploring the AfCFTA benefits is needed
- Improving the effectiveness of multi-stakeholder partnerships around food and nutrition security as well as promoting value addition including economic clusters that actively support production and processing (logistics, etc.) is needed
- Improved data collection and analysis is essential for better planning, policy, governance, and accountability

3.5. The Intervention Logic

The underlying intervention logic for this action is that social stability in Nigeria will be preserved if the government, the private sector and other development partners (including the EU) invest in the youth who make up the majority of Nigeria's population and who are the most affected by unemployment and under-employment.

IF climate smart agriculture and sustainable transformation of Agro-SMEs in selected value chains are developed in Nigeria, taking into account specific challenges for women and youth, **Then** new and existing agribusinesses will

grow and the capacity for employment creation especially for youth and women in rural, blue economy and agro-ecology sectors will be enhanced providing decent employment alternatives to internal and irregular migration; Investment opportunities and capacity development for Smallholder Farmers (SHF) for improved livelihoods will increase food security, livestock and post-harvest losses will be reduced; through research and development nature-based agricultural measures reducing climate change vulnerability, enhancing biodiversity and combating deforestation and desertification will be introduced. All these will have a positive socio-economic development impact for the country.

Developing the agribusiness sector offers opportunities to deliver decent jobs for Nigeria's youths across a range of activities. Higher quality and production/processing standards, with a long-term goal of increased export potential for commodities, invites green and digital solutions in input provision, agricultural and processing practice, transportation and delivery in pursuit of 'farm to fork' strategy. Investment opportunities will be promoted in accordance with responsible principles of development to deliver meaningful outcomes for all stakeholders by ensuring commercially sustainable outcomes that recognize the essential human rights of producers whilst addressing the imperative to increase commercial production and processing, revenue generation and improved regulatory and governance structures. This will be achieved by leveraging on current initiatives promoting the inclusive adoption of technologies that aim to address environmental degradation, climate change and pollution.

The improvements that inclusive, responsible and sustainable approaches offer will serve to reduce conflict over diminishing resources. Improved land management, recognition of customary rights and more equitable outcomes will reduce local tensions and insecurity and mitigate the challenge of environmental degradation and climate change delivering improved livelihoods and by contribute to addressing the issues of forced displacement and irregular migration.

3.6. Logical Framework Matrix

At action level, the indicative logframe should have a maximum of 10 expected results (Impact/Outcome(s)/Output(s)).

It constitutes the basis for the monitoring, reporting and evaluation of the intervention.

On the basis of this logframe matrix, a more detailed logframe (or several) may be developed at contracting stage. In case baselines and targets are not available for the action, they should be informed for each indicator at signature of the contract(s) linked to this AD, or in the first progress report at the latest. New columns may be added to set intermediary targets (milestones) for the Output and Outcome indicators whenever it is relevant.

- At inception, the first progress report should include the complete logframe (e.g. including baselines/targets).
- Progress reports should provide an updated logframe with current values for each indicator.
- The final report should enclose the logframe with baseline and final values for each indicator.

The indicative logical framework matrix may evolve during the lifetime of the action depending on the different implementation modalities of this action.

The activities, the expected Outputs and related indicators, targets and baselines included in the logframe matrix may be updated during the implementation of the action, no amendment being required to the Financing Decision.

Results	Results chain: Main expected results (maximum 10)	Indicators : (at least one indicator per expected result)	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Impact	Social stability in Nigeria is preserved	Number of major violent protests by youths in at least 10 States simultaneously Youth unemployment rate compared to the national average, disaggregated by sex, age group, disability status	3(2020) with #ENDSARS# TBD 40%	0 (2023) m (2023)	News media and CSOs report Government records and WBG	<i>Not applicable</i>
Outcome 1	Climate-smart agri- (aqua-) culture has been developed and Agri-SMEs have been transformed in selected value chains Oc1: Increased viability of climate-smart agri-aqua culture value chains that sustain inclusive, gender-equitable and youth oriented fair shares in leadership and employment Oc2: Improved business and investment environment for climate-smart agri-aqua culture development	1. Volume and value of agricultural production (million tonnes & USD); 2. Number of (a) new green jobs or (b) jobs supported/sustained by the EU in the agriculture sector, disaggregated by sex and age; 3. GEF 2.6 Number of Micro, Small and Medium Enterprises applying Sustainable Consumption and Production practices with EU support [NDICI-Global Europe][SP][EFSD]† (by sex and age of their leadership) 4. GEF 2.17 Number of beneficiaries with access to financial services with EU support: (b) people (all financial services)[SP][EFSD]‡, by age, sex 5. GEF 2.1 Number of smallholders reached with EU supported interventions aimed to increase their sustainable production, access to markets and/or security of land	1. 28.2 m tonnes (2021) 2. 0 3. 0 4. 0 5. 0	1. 32 million tonnes 2. 100,000 3. 100 4. TBD (2023) 5. 50000	FAOSTAT action monitoring	That the government and other partners will continue to prioritise the agricultural sector, and provide the security conditions necessary for implementation

		[NDICI-Global Europe][SP]† (by sex and age)				
Output 1.1	Emergence of new and growth of existing agri-businesses supported SMEs and potential new SME with emphasis on youth and women membership to integrate climate-smart value chains.	1.1 Number of new agri-enterprises established 1.2 Number of agri-businesses supported through the EU interventions which adopt responsible production practices (disaggregated by sex and age, location) 1.3 Number of smallholders reached with EU supported interventions aimed to increase their sustainable production, access to markets and/or security of land [NDICI-Global Europe][SP]† (by sex, disability status and age)	1.1 0 1.2 0 1.3 0	1.1 TBD (2023) 1.2 200 1.3 60,000	Implementation M&E FAO WOCAT	That the government and partners will continue improving the business and investment environment for MSMEs
Output 1.2	Capacity for the creation of new jobs in rural, blue economy and agro-ecology sectors especially for youth and women enhanced	2.1 Number of (a) new green jobs or (b) jobs supported/sustained by the EU in the agriculture sector, disaggregated by sex; disability (where feasible) and age .	2.1 0	2.1 60,000 2.2 TBD	Implementation M&E	That the government will continue promoting and supporting an enabling environment for jobs creation in the sector

<p>Output 1.3</p>	<p>Investment opportunities for Smallholder Farmers (SHF) in the smart-climate rural and blue economy sectors, including for women and young smallholders and entrepreneurs increased</p>	<p>3.1 Number of investors reached with the support of the EU who have increased their information on investment opportunities in blue and green economy involving smallholder farmers in the selected States, disaggregated by country;</p> <p>3.2 Number and value of investment opportunities created in the targeted sector, disaggregated by sex; disability (where feasible) and age</p>	<p>3.1 0</p> <p>3.2 0</p>	<p>3.1 50</p> <p>3.2 30/ €8m</p>		<p>That the government and partners will continue improving the business and investment environment for MSMEs</p>
<p>Output 1.4</p>	<p>Food security improved and livestock/crop losses reduced</p>	<p>4.1 Level of food insecurity measured by reduction in post-harvest losses and livestock mortality rate</p>	<p>4.1 40% for harvest and 15.3% for livestock</p>	<p>4.1 TBD 2023</p>	<p>FAOSTAT NBS</p>	<p>That the government and other partners will continue to prioritise the agricultural sector, and provide the security conditions necessary for implementation; Livestock transformation plan is being implemented; Agric-infrastructure continually improved;</p>

						Climate changes mitigation and adaptation policies pursued
Output 1.5	Nature-based agricultural measures and plans for reducing climate change vulnerability, enhancing food security, biodiversity and combating deforestation and desertification introduced	<p>5.1 Number of entities that adopt and implement local disaster risk reduction strategies in line with the Sendai Framework for Disaster Risk Reduction 2015-2030 Number of nature-based solutions implemented with EU support</p> <p>5.2 Number of CSOs, stakeholders and local authorities involved in defining risk reduction plans, by categories including women's and youth NGOs</p> <p>5.3 Status of a Platform for High-level private-public policy reform</p>	<p>5.1 0</p> <p>5.2 0</p> <p>5.3. 0</p> <p>5.4. 0</p>	<p>5.1 5</p> <p>5.2 4</p> <p>5.3. Functional</p>	UNDSR Implementation M&E	Climate change mitigation and adaptation policies pursued; Climate-smart agriculture practices promoted by the government and partners

4. IMPLEMENTATION ARRANGEMENTS

4.1. Financing Agreement

In order to implement this action, it is envisaged to conclude a financing agreement with the partner country.

4.2. Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 48 months from the date of entry into force of the financing agreement. Extensions of the implementation period may be agreed by the Commission’s responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3. Implementation of the Budget Support Component

N.A

4.4. Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures¹⁴.

4.4.1. Indirect Management with a pillar assessed entity

This action may be implemented in indirect management with GIZ, which was selected by the Commission’s services using the following criteria: demonstrated capacity in the implementation of agricultural value chain projects, global experience and best practices, operational capacity, country experience, value added consideration in terms of technical expertise and resources. The implementation by this entity entails a partial co-funding of the EU Support to Agriculture Value Chain Development Facility project (EU VACE) NG, which is to support Nigeria in boosting sustainable climate smart agricultural production and increasing agricultural exports, and job creation/entrepreneurship for women and young people. This implementation modality is justified on the basis of GIZ’s global reputation for transparency and accountability and support of stakeholders to effectively translate policy reform commitments and national programmes into practice, GIZ’s extensive experience in agriculture and MSME sectors, presence in the country, as well as GIZ’s partnership with the EU on numerous projects in Nigeria.

In case the envisaged entity would need to be replaced, the Commission’s services may select a replacement entity using the same criteria. In particular, a number of UN “family” organisations operate in Nigeria providing the same level of transparency, accountability and support of stakeholders to effectively translate policy reform commitments and programmes into practice.

4.5. Indicative Budget

Indicative Budget components¹⁵	EU contribution (amount in EUR)	Third-party contribution, in currency identified

¹⁴ www.sanctionsmap.eu. Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

¹⁵ N.B: The final text on audit/verification depends on the outcome of ongoing discussions on pooling of funding in (one or a limited number of) Decision(s) and the subsequent financial management, i.e. for the conclusion of audit contracts and payments.

Indirect management with a pillar assessed entity - cf. section 4.4.1	12 700 000	4 000 000
Evaluation – cf. section 5.2	200 000	N.A.
Audit – cf. section 5.3	100 000	N.A.
Totals	13 000 000	4 000 000

4.6. Organisational Set-up and Responsibilities

The Governance will be composed as follows:

1. High-Level Public-Private Sector Platform

A High-Level Public-Private Sector Platform will be established and chaired by the Minister of Agriculture and Rural Development to delve into some of the underlying issues inhibiting the agricultural sector such as low productivity, weak regulatory environment and access to agricultural resources i.e. land, inputs, extension services, access to finance and markets in Nigeria. Through this platform to be convened annually, the project will bring to the attention of the platform issues requiring high level policy dialogue that can only be addressed by a combination of government, development partners and organized private sector, including representation from women and youth organisations, for deliberation and resolutions. This platform will also form the basis of visioning on the future of climate smart agriculture, agribusiness development, youth and women economic empowerment and an avenue for putting a spotlight on the economic sectors that have potential to drive economic growth and employment creation in the future. Specific Terms of Reference and Outline of this high-level platform will be developed at project inception.

2. Project Steering Committee

A Project Steering Committee (PSC) will be established and be co-chaired at directorate level by the Ministry of Agriculture/Ministry of Finance Budget and Planning on the one hand, and a selected player in the agribusiness sector on the other.

The overall oversight of the project will be one of the main tasks of the Steering Committee (SC). This includes the review of annual work plans, and the annual implementation reports. The Steering Committee will endorse the operational plans of the project. The Committee will include the participation of European Commission (as part of its prerogative of budget implementation and to safeguard the financial interests of the Union) and other relevant members of Team Europe Initiative, key federal and state level ministries, selected private sector organisations and youth and women based organisations. Strategic outcomes of broader contextual basis will feed into the agenda of the high-level Public-Private Platform. In situations where specific technical and expert-specific input is required, key partners will be invited as needed.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action.

4.7. Pre-conditions

No pre-condition has to be met prior to implementation at federal level.

5. PERFORMANCE MEASUREMENT

5.1. Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding

indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support).

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring:

The Action shall ensure that there is a systematic M&E system covering the overall programme, as well as specific M&E systems to capture each component's own progress towards implementation. The development of these component-level M&E systems shall be done in close association between EUD and each component leader IP. Yearly M&E sessions shall be set up at the level of the project, including the institutional beneficiaries' representatives, and regular M&E documentation shall be provided by the IPs (bi-annually or quarterly) to ensure a comprehensive follow-up and assessment.

The identification of the baselines and the collection of data shall be the responsibility of implementing partner while the overall M&E indicators follow-up shall be done by the EUD, with dedicated funds and staff, working closely with the M&E staff from the implementer. M&E focal points should also be identified within each of the institutional beneficiaries, to facilitate data gathering and collection, and smoothen the overall process.

5.2. Evaluation

Having regard to the importance of the action, a midterm and/or final evaluation will be carried out for this intervention or its components via independent consultants contracted by the Commission. The focus will be on problem solving, corrective measures, accountability and learning purposes at various levels (including for policy revision).

The Commission shall inform the implementing partner at least three months in advance of the dates envisaged for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders following the best practice of evaluation dissemination¹⁶. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

The action will ensure gender and human rights expertise during all evaluation missions.

Evaluation services may be contracted under a framework contract.

5.3. Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

6. STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

It will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented

¹⁶ See best [practice of evaluation dissemination](#)

by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

However, action documents for specific sector programmes are no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.

APPENDIX 1 REPORTING IN OPSYS

An Intervention¹⁷ (also generally called project/programme) is the operational entity associated to a coherent set of activities and results structured in a logical framework aiming at delivering development change or progress. Interventions are the most effective (hence optimal) entities for the operational follow-up by the Commission of its external development operations. As such, Interventions constitute the base unit for managing operational implementations, assessing performance, monitoring, evaluation, internal and external communication, reporting and aggregation.

Primary Interventions are those contracts or groups of contracts bearing reportable results and respecting the following business rule: ‘a given contract can only contribute to one primary intervention and not more than one’. An individual contract that does not produce direct reportable results and cannot be logically grouped with other result reportable contracts is considered a ‘support entities’. The addition of all primary interventions and support entities is equivalent to the full development portfolio of the Institution.

Primary Interventions are identified during the design of each action by the responsible service (Delegation or Headquarters operational Unit).

The level of the Primary Intervention is defined in the related Action Document and it is revisable; it can be a(n) (group of) action(s) or a (group of) contract(s).

Tick in the left side column one of the three possible options for the level of definition of the Primary Intervention(s) identified in this action.

In the case of ‘Group of actions’ level, add references to the present action and other action concerning the same Primary Intervention.

In the case of ‘Contract level’, add the reference to the corresponding budgetary items in point 4.5, Indicative Budget.

Option 1: Action level		
<input checked="" type="checkbox"/>	Single action	Present action: all contracts in the present action
Option 2: Group of actions level		
<input type="checkbox"/>	Group of actions	Actions reference (CRIS#/OPSYS#):
Option 3: Contract level		
<input type="checkbox"/>	Single Contract 1	
<input type="checkbox"/>	Single Contract 2	
<input type="checkbox"/>	Single Contract 3	
	(...)	
<input type="checkbox"/>	Group of contracts 1	

¹⁷ [ARES \(2021\)4204912](#) - For the purpose of consistency between terms in OPSYS, DG INTPA, DG NEAR and FPI have harmonised 5 key terms, including ‘action’ and ‘Intervention’ where an ‘action’ is the content (or part of the content) of a Commission Financing Decision and ‘Intervention’ is a coherent set of activities and results which constitutes an effective level for the operational follow-up by the EC of its operations on the ground. See more on the [concept of intervention](#).